OBSERVANCE OF THE 20TH ANNIVERSARY OF THE HIGHER EDUCATION ACT

HEARING

BEFORE THE

SUBCOMMITTEE ON
POSTSECONDARY EDUCATION

OF THE

COMMITTEE ON EDUCATION AND LABOR
HOUSE OF REPRESENTATIVES

NINETY-NINTH CONGRESS

FIRST SESSION

HEARING HELD IN SAN MARCOS, TX, NOVEMBER 8, 1985

Serial No. 99-74

Printed for the use of the Committee on Education and Labor

U.S. GOVERNMENT PRINTING OFFICE
57-758 O WASHINGTON : 1986

H341-47

COMMITTEE ON EDUCATION AND LABOR

AUGUSTUS F. HAWKINS, California, *Chairman*

WILLIAM D. FORD, Michigan
JOSEPH M. GAYDOS, Pennsylvania
WILLIAM (BILL) CLAY, Missouri
MARIO BIAGGI, New York
AUSTIN J. MURPHY, Pennsylvania
DALE E. KILDEE, Michigan
PAT WILLIAMS, Montana
MATTHEW G. MARTINEZ, California
MAJOR R. OWENS, New York
RICK BOUCHER, Virginia
CHARLES A. HAYES, Illinois
CARL C. PERKINS, Kentucky
TERRY L. BRUCE, Illinois
STEPHEN J. SOLARZ, New York
MERVYN M. DYMALLY, California
DENNIS E. ECKART, Ohio
TIMOTHY J. PENNY, Minnesota
CHESTER G. ATKINS, Massachusetts

JAMES M. JEFFORDS, Vermont
WILLIAM F. GOODLING, Pennsylvania
E. THOMAS COLEMAN, Missouri
THOMAS E. PETRI, Wisconsin
MARGE ROUKEMA, New Jersey
STEVE GUNDERSON, Wisconsin
STEVE BARTLETT, Texas
ROD CHANDLER, Washington
THOMAS J. TAUKE, Iowa
JOHN R. McKERNAN, Jr., Maine
RICHARD K. ARMEY, Texas
HARRIS W. FAWELL, Illinois
PAUL B. HENRY, Michigan

SUBCOMMITTEE ON POSTSECONDARY EDUCATION

WILLIAM D. FORD, Michigan, *Chairman*

MAJOR R. OWENS, New York
PAT WILLIAMS, Montana
MARIO BIAGGI, New York
CHARLES A. HAYES, Illinois
CARL C. PERKINS, Kentucky
TERRY L. BRUCE, Illinois
STEPHEN J. SOLARZ, New York
MERVYN M. DYMALLY, California
DENNIS E. ECKART, Ohio
TIMOTHY J. PENNY, Minnesota
CHESTER G. ATKINS, Massachusetts
JOSEPH M. GAYDOS, Pennsylvania
AUGUSTUS F. HAWKINS, California, Ex Officio

E. THOMAS COLEMAN, Missouri
STEVE GUNDERSON, Wisconsin
JOHN R. McKERNAN, Jr., Maine
PAUL B. HENRY, Michigan
WILLIAM F. GOODLING, Pennsylvania
THOMAS E. PETRI, Wisconsin
MARGE ROUKEMA, New Jersey
THOMAS J. TAUKE, Iowa
JAMES M. JEFFORDS, Vermont, Ex Officio

CONTENTS

Page

Hearing held in San Marcos, TX, on November 8, 1985 1

Statement of:

Atwell, Dr. Robert, American Council on Education 52
Brademas, Dr. John, president, New York University 2
Califano, Hon. Joseph A., former Secretary of Health, Education and Welfare 46
Clohan, Hon. William C., Association of Independent Colleges and Schools 59
Cohen, Hon. Wilbur J., former Secretary of Health, Education and Welfare 39
Delco, Hon. Wilhelmina, Texas House of Representatives 55
Kimberling, Dr. C. Ronald, Acting Assistant Secretary for Postsecondary Education, U.S. Department of Education 21
Lieb, Dr. Irwin, the Brown Foundation, University of Southern California 73
MacKenzie, Dr. Charles S., Grove City College 41
McCormick, Joe L., executive director, Texas Guaranteed Student Loan Corporation 77
Pickle, Hon. J.J. (Jake), a Representative in Congress from the State of Texas 76

Prepared statements, letters, supplemental materials, et cetera:

American Association of State Colleges and Universities, prepared statement of 113
Bluitt, Anthony V., et al., letter to Hon. William D. Ford, dated September 20, 1985 109
Brademas, Dr. John, president, New York University, prepared statement of 11
Brennan, Carol A., letter to Hon. William D. Ford, dated October 16, 1985 107
Brown, Robert W., letter to Hon. William D. Ford, dated October 22, 1985. 112
Califano, Joseph A., Jr., prepared statement of 48
Caruthers, Jim, letter to Hon. William Ford, dated September 24, 1985 110
Clark, Jo Ann R.:
  Letter dated October 4, 1985, to Jackie Edwards 111
  Letter dated October 7, 1985, to Hon. William D. Ford 111
Clohan, William C., prepared statement on behalf of the Association of Independent Colleges and Schools 63
Conway, Jo, letter to Hon. William D. Ford, dated November 8, 1985 110
Davis, John E., letter to Hon. William D. Ford, dated October 3, 1985 112
Dodd, David T., II, letter to Hon. William D. Ford, dated October 16, 1985. 107
Edwards, Jacqueline D., letter to Hon. William D. Ford, dated October 30, 1985 103
Graff, Catherine, letter to Hon. William D. Ford, dated October 16, 1985 108
Hill, Margaret, letter to Hon. William D. Ford, dated October 16, 1985 109
Hodnett, J. Steven, letter to Hon. William D. Ford, dated September 17, 1985 104
House Concurrent Resolution 207; to recognize the 20th anniversary of the Higher Education Act of 1965 and reaffirm its purpose 100
Kimberling, C. Ronald, prepared statement of 27
Largent, Lou Ann, letters to Hon. William D. Ford:
  September 17, 1985 110
  September 19, 1985 111
Lieb, Irwin C., University of Southern California, prepared statement on behalf of the Brown Foundation 74
MacKenzie, Charles S., Ph.D., president, Grove City College, prepared statement of 42

Page

Prepared statements, letters, supplemental materials, et cetera—Continued
  McCormick, Joe L., executive director, Texas Guaranteed Student Loan Corporation, prepared statement of 79
  McCray, Nancy, letter to Hon. William Ford, dated October 16, 1985 106
  McDougle, Kenny D., letter to Hon. William Ford, dated October 16, 1985. 108
  Munson, Sharon S., letter to Hon. William Ford, dated October 8, 1985 103
  National Association of State Universities and Land-Grant Colleges, prepared statement of 116
  Newmann, Dianne, letter to Hon. William D. Ford, dated October 16, 1985 106
  Nicklas, Willis L., letter to Hon. William D. Ford, dated October 11, 1985. 105
  Olson, Mary, letter to Hon. William D. Ford, dated October 11, 1985 103
  Patterson, Rob, prepared statement of 38
  Pickle, Hon. J.J., a Representative in Congress from the State of Texas, telegram, dated November 7, 1985, to Hon. Robert Hardesty, president, Southwest Texas State University 2
  Rawlings, Kathy, letter to Hon. William D. Ford, dated October 15, 1985 105
  Scott, Roger C., Jr., letter to Hon. William D. Ford, dated October 25, 1985 105
  Simmons, Sandra, letter to Hon. William D. Ford, dated October 16, 1985. 108
  Swan, Tom, prepared statement of 38
  Trammell, Rebecca, letter to Hon. William D. Ford, dated October 16, 1985 107
  Twentieth Anniversary, Higher Education Act 1965–1985, program 119
  Wyatt, Mae Dean, letter to Hon. William D. Ford, dated October 7, 1985 112

OBSERVANCE OF THE 20TH ANNIVERSARY OF THE HIGHER EDUCATION ACT

FRIDAY, NOVEMBER 8, 1985

House of Representatives,
Subcommittee on Postsecondary Education,
Committee on Education and Labor,
San Marcos, TX.

The subcommittee met, pursuant to notice, at 10 a.m., in the Evans Auditorium, Southwest Texas State University, San Marcos, TX, Hon. William D. Ford presiding.

Member present: Representative Ford.

Staff present: Kristin Gilbert, legislative associate; and Rose DiNapoli, minority legislative associate.

Mr. Ford. I am pleased to be in San Marcos, TX, on this particular day at the site of the signing of the Higher Education Act 20 years ago today. All of us who've had a chance to work with it over the years believe that it has the right to be referred to as an historic initiative in higher education.

This hearing today provides us the opportunity to reflect on the purposes, accomplishments, and the future of the Higher Education Act.

President Lyndon Johnson captured the essence of the act, when, upon signing the legislation, he said, "It means that a high school senior anywhere in this great land of ours can apply to any college or any university in any of the 50 States and not be turned away because his family is poor."

It gives you some illustration of the difference in times that 20 years ago a high school senior who would go to college was presumed to be "he." We now know that that has changed very dramatically, and one of the reasons it has changed very dramatically is because of the passage of this act.

I'm pleased to have a very distinguished group of witnesses here today. This morning we'll hear from the Honorable John Brademas, one of the original sponsors of the legislation, and one of the founders of the Higher Education Act, who spent 22 years on the committee developing it. He was also on the committee before it was developed.

We also have the Honorable Ron Kimberling, Acting Assistant Secretary of the Department of Education for Postsecondary Education.

I would like to note that in further observance of this event, last week, the House of Representatives passed, by unanimous consent, a resolution to recognize the 20th anniversary of the Higher Education Act. The resolution notes the significant contribution made by this legislation to the development of the Nation, by increasing its investment in human capital, thereby fostering economic growth, enriching civic and cultural life, and strengthening our national security.

Before we hear from the witnesses this morning, I just received a message from our dear friend and a friend of Dr. Brademas, as well, Jake Pickle, and he says, as follows:

[Telegram]

WASHINGTON, DC, *November 7, 1985.*

Conference Committee has kept me in Washington today. I am extremely proud to have been present for the signing of the Higher Education Act, and to have been privileged to work with our Education President, Lyndon B. Johnson. Today, I am even prouder for voting for the Education Bill than I was 20 years ago.

Sincerely,

J.J. JAKE PICKLE,
Member of Congress.

Mr. FORD. I would like now to call upon Dr. John Brademas, president of New York University, our former colleague for many years. And John, I would just like to observe that it's not as easy for me as it was 20 years ago, on the committee, because all I had to do was follow you, and sometimes Jim O'Hara, and Frank Thompson, and I always knew where I was going.

I don't have any one of you to follow any more and after so many years of the habit of looking to you for leadership and the directions we were taking, it's been very difficult in recent years to do without you.

New York University's gain is a loss to the rest of us. And I'd be pleased to insert in the record the full text of the statement you've prepared for today, and ask you to add to it, supplement it, or comment on it, in any way that you think would be most helpful.

Mr. BRADEMAS. Thank you very much, Mr. Chairman.

STATEMENT OF DR. JOHN BRADEMAS, PRESIDENT, NEW YORK UNIVERSITY

Mr. BRADEMAS. Thank you very much, Mr. Chairman. I appreciate, more than I can say, those gracious words of welcome. And can only respond that, at this stage in the life of the Nation, those of us who are concerned about higher education, are following your leadership. And your leadership has been superb. And under it, this subcommittee has become a powerful force for education in the United States.

So, I'm very pleased to be here in San Marcos and also to share the panel with the Acting Assistant Secretary of Postsecondary Education, Ronald Kimberling.

I want also to say, Mr. Chairman, that I was very pleased to have seen some old friends here, Wilbur Cohen, the distinguished former Secretary of Health, Education and Welfare; Robert Atwell, the president of the American Council on Education, and of course, I'm especially glad to have been here, not only, Mr. Chairman, at your invitation, but at that of another valued friend from our days on Capitol Hill together, our distinguished host at San Marcos, the president of Southwest Texas State University, Robert L. Hardesty.

What I'd like to do, Mr. Chairman, is move speaking as rapidly as I can, I've always had the view that the brighter the audience, the faster I can talk, so I intend to speak very rapidly today, to go through a summary as it were, of my prepared statement.

And I want to say that it's a great honor to have been asked to appear on the occasion of the 20th anniversary of the Higher Education Act of 1965, and of course, it's a particular personal pleasure for me because, as you know, for the entire length of my own service in the House of Representatives, 22 years, I was a member of your subcommittee.

And for the last 4½ years, I've had the privilege of serving as president of New York University, the largest private university in the world, with some 46,000 students in 14 schools and divisions.

New York University has, for more than a century and a half, been a university of opportunity welcoming immigrants and their sons and daughters, and we continue that tradition. And I must tell you, Mr. Chairman, and members of your subcommittee, that as a result of my experiences on the university campus, I'm still more convinced of the wisdom of the judgments that you and I made 20 years ago in adopting legislation to expand the opportunities for college education in the United States.

So I come before you this morning wearing two hats: That of a former Member of Congress, and a sponsor of the Higher Education Act of 1965, and its subsequent reauthorizations; and as president of a major university who has witnessed firsthand the struggles of students seeking a first class education.

What I should like to do then, from the perspective of a participant, is offer a brief history of the Higher Education Act and try to bring into focus the concerns of its parents in Congress two decades ago.

Then I want to identify for the subcommittee what I believe to be the major advances that followed the act and observe that the last 20 years have seen important progress in opening the doors of educational opportunity to all qualified aspirants, and make the point that underlying much of this progress have been the resources and leadership provided by the Federal Government.

The several measures in support of education that members of this subcommittee, both Republicans and Democrats, helped write were a direct expression of our concern that an opportunity for a college education be denied no talented and motivated student because of financial need. But today, Mr. Chairman, I see disturbing signs that the commitment that informed that approach is being eroded. So finally, in my statement, I want to indicate some directions and problems for the future, as we consider the role of the Federal Government in higher education.

And I can think of no more appropriate setting than this at Southwest Texas State University because here studied, as Governor White observed this morning, the greatest education President in our history, Lyndon Baines Johnson. And here 20 years ago, as we know, that President signed into law that landmark legislation.

The passage of that legislation in 1965 was one step, albeit a crucial one, along the legislative path that reached back several decades and continues today. Too many people forget, Mr. Chairman, that the Federal Government has been involved in higher education since the founding of the Republic.

We have a republican microphone. [Laughter and applause.]

But perhaps, more significantly in 1862, the Congress passed the Morrill Act under which Federal lands were distributed among the States to establish colleges for the benefit of agriculture and mechanic arts. During the depression, several New Deal programs, like the National Youth Administration, the Civilian Conservation Corps, and the Works Project Administration, though not strictly educational, acted as funnels for Federal aid to students and teachers, for building classrooms and for adult education.

And I recall, a couple of years ago, Mr. Chairman, having had the pleasure of being in Austin with Secretary Cohen and Lady Bird Johnson, and others, marking the 50th anniversary of the start of the New Deal.

The G.I. bill, the most sweeping Federal education program ever enacted, afforded millions of returning veterans, of whom I was one, the means to go to college. Then came the National Defense Education Act of 1958, under a Republican President, Mr. Eisenhower, with a Democratic Congress, signaling a new era in the relationship of the Federal Government to the Nations' schools, colleges and universities, by providing Federal funds to improve the teaching of mathematics, science, and foreign languages in both schools and universities, as well as money for college student loans, graduate fellowships, and awards for university based research.

Then in 1963, came the next important step with the Higher Education Facilities Act proposed by President Kennedy and passed by Congress that year, a measure that authorized Federal matching grants and loans for undergraduate and graduate facilities construction.

These early legislative steps set the stage for consideration of a more comprehensive measure to support our colleges and universities and the students who attend them.

So it was that on the 12th of January, 1965, President Johnson sent his education message to Congress, recommending Federal programs to aid all levels of education from preschool to graduate school. The President's message was built around a theme of opportunity and to accomplish this goal in higher education, the President recommended scholarships, loans, work study for students, aid to help small struggling colleges, help for libraries, and support for university extension services.

In the House, the administrations' proposals, Mr. Chairman, were referred to the Special Education Subcommittee of the Education and Labor Committee, the subcommittee then chaired by Representative Edith Green, Democrat of Oregon. I was a member of that subcommittee as were Republican Albert M. Quie of Minnesota, and two legislators from my new State, Democrat Hugh Carey, and then Republican Ogden Reid of New York.

As the subcommittee and full committee considered the higher education bill in the spring of 1965, controversy centered on the scholarship and loan guarantee provisions but as finally reported, the measure contained both initiatives.

I might here interject that the most famous alumnus of then Southwest Texas State Teachers College, was not bashful about expressing both through his White House staff, and, personally, his views on legislation before our committee.

As a Senator, President Johnson had sponsored loan insurance bills for college students. He recalled that only a timely loan had enabled him to remain here in college in San Marcos in the late 1920's. So he felt strongly about the issue of federally guaranteed loans and he worked hard and successfully to persuade members of the House Education and Labor Committee to see that light.

Of course, many of us were just as enthusiastic about the legislation as he, and had worked, in my case, during the administrations of Presidents Eisenhower and Kennedy, for educational measures.

On the 14th of July 1965, our House committee reported a bill by a vote of 21 to 2; the House passed it the following month on the 6th of August, by a vote of 368 to 22. The Senate moved its version a month later, on the 2d of September, by a margin of 79 to 3, and after a conference to work out differences, both bodies approved a final version on the 20th of October. Then, on the 8th of November, 20 years ago, President Johnson traveled here to San Marcos, to Southwest Texas State College, as it was then known, from which he had 30 years before, graduated, and signed into law, the Higher Education Act of 1965.

That measure established a new Federal charter in higher education. All told, the act consisted of eight titles authorizing a total of $840 million for an array of programs. The centerpiece was an educational opportunity grant available to students of exceptional financial need in amounts up to $800. This was the first program of scholarships for undergraduates ever passed by Congress.

The law also created a new program of federally guaranteed and subsidized commercial loans to students from low- and middle-income families. In addition, the Work Study Program, that we had authorized the year before, as part of the Anti-Poverty Program, was transferred from the Office of Economic Opportunity to the Office of Education in HEW, and considerably expanded.

Other titles in the act authorized grants to college libraries, aid to developing institutions, which were primarily black colleges in the South, and expansion of the 1963 construction grant programs.

Now, Mr. Chairman, you and I know that there are today some who say that those of us in Congress, during the 1960's and 1970's, did not really understand what we were doing when we wrote these laws to support education. That is not so. Those of us who worked in committee and on the floor, to fashion this legislation, had clear and compelling purposes. We were confronted with evidence of pressing problems for which a Federal response was both necessary and appropriate.

First, we heard disturbing testimony that large numbers of potential students were being denied access to colleges and universities, not because they were not able and motivated, but simply because they could not afford to go. There was another motivation. Colleges and universities across the country were experiencing acute financial strains and were apprehensive about rising enrollments and the additional burdens they would pose.

The first wave of the baby boomers, you must remember, was heading for college in the 1965-75 period. Overcrowded classrooms, inadequate libraries, deteriorating facilities, this was the scenario painted for us in Congress by presidents and deans of institutions of higher learning.

A second point to emphasize about what we did in the Higher Education Act was the clear desire on the part of those of us who wrote it, to provide equal treatment for both public and independent or private colleges and universities.

And certainly, Mr. Chairman, throughout the years of my service in Congress, and I know, sir, that this is true of your views, I was a strong champion of Federal support for both public and independent colleges and universities, and I can assure you that when we were writing these programs into law, especially student aid, we pursued a policy of nondiscrimination in this respect.

Because we recognized then, that the existence of independent colleges and universities, such as New York University, brings to American higher education, more flexibility, diversity, and freedom to risk and innovate than would otherwise be the case.

A third point I must underscore about the Higher Education Act of 1965, also remarked upon this morning by Governor White, was that it enjoyed broad bipartisan backing. At every stage of the legislative process, subcommittee, full committee, the floor of both the House and Senate, the bills that were to become the Higher Education Act were approved by overwhelming margins, as I have told you. Gathering support from both Republicans and Democrats, and when the legislation came to a final rollcall, Congress passed it by a voice vote in the Senate, and a 5 to 1 margin in the House.

Now, the Higher Education Act of 1965, set the pattern for all subsequent Federal support for students. What is the Federal role today in providing student aid? Well, there are seven programs: Pell Grants, Supplemental Educational Opportunity Grants; College Work Study; National Direct Student Loans; State Student Incentive Grants; Guaranteed Student Loans; and Auxiliary Loans.

These will help make available in the 1985-86 academic year, over $13 billion in loans, grants, and other awards, to between one-third and one-half of the estimated 12.5 million postsecondary students in this country. The largest of the grant programs, the Pell Grants, were established in 1972 by the education amendments for undergraduates who can show financial need. Since 1973, Pell Grants have assisted approximately 13 million students. This year, this academic year, an estimated 2.6 million students will receive Pell Grants ranging from $200 to $2,100, and over half these students, Mr. Chairman, 55 percent come from families with annual incomes of $9,000 or less.

Other essential components of the fabric of Federal student aid include federally insured and subsidized loan programs, the largest of which of course is the Guaranteed Student Loan Program, which will this year be providing $7.5 billion to over 3.2 million students. Since its inception, the GSL Program has made loans available to over 21 million college students.

Then we have the College Work Study Program which this year is providing jobs to nearly 800,000 graduate and undergraduate students from low- and middle-income families who demonstrate need.

The Incentive Grants or SSIG Program, encourage States to offer scholarships to students. In 1972, when it started, only 27 of the 58

States and territories had their own student aid programs; today, all but one do.

The Supplemental Educational Opportunity Grants and National Direct Student Loans, the so-called campus-based student aid programs, provide annual allocations of Federal funds to institutions which then make awards to individual students who demonstrate financial need.

Now, there we have a kind of constellation of Federal student financial aid. The purpose being to overcome the financial obstacles that may dissuade or discourage students from going to college. The result of these programs has been that millions of students have been able to attend college, university, vocational educational institutions who, two decades ago, would not have had that opportunity.

Now, Mr. Chairman, having spoken of the legislative history and philosophical underpinning of HEA, and of its impressive impact, I want now to consider briefly several issues that I think should require our attention as the Higher Education Act enters its third decade. And this of course is a fitting time for such analysis and review, because 1985 marks the year of reauthorization of HEA and, Mr. Chairman, you and your subcommittee colleagues have only last month completed the first stage of drafting a bill to be considered, I believe, next week, by the full Education and Labor Committee.

The current reauthorization of the Higher Education Act is taking place in a climate of continuing opposition by the Reagan administration to Federal support for education, and there can be no question that Ronald Reagan has mounted a steady attack against institutions of learning and culture in the United States.

They are very strong words but I make them with no trouble at all, because they are justified by the record. In 1981, as part of its omnibus budget package, the Reagan administration made clear its intent to reduce Federal support for higher education through substantial reductions in the fiscal 1982–84 authorization levels for most of the higher education programs.

And in every budget that the administration has submitted to Congress, it sought to cut funds for higher education. Particularly hard hit over the years of Ronald Reagan has been student financial aid programs, guaranteed loans, Pell grants among them. Support for all these programs has dropped from $10.8 billion in 1981, to just under $8 billion in 1984, a decline in current dollars of over 25 percent.

And despite these steep reductions, the administration proposed for fiscal 1986 a higher education budget that called for a slash of 25 percent below the adjusted 1985 level. Mr. Chairman, can you imagine what Cap Weinberger would say if the President said, you've got to cut the DOD budget, the Defense Department budget, by 25 percent?

The fiscal 1986 Reagan budget also urged the elimination of all graduate education programs in the Department of Education. Here are some of the proposals offered at one point or another by the Reagan administration over the last 6 years.

To restrict access to Pell grants; to cap eligibility for guaranteed student loans at various income levels; to eliminate programs designed to strengthen academic qualities, such as aid for libraries, international education, facilities renovation.

And of course, since his swearing in, the second Secretary of Education of the Reagan administration, William Bennett, has made a series of statements contemptuous of the values of a college education.

Finally, the President has urged changes in our tax laws that would work great damage, not only to public schools in every school district in the United States, but to colleges and universities, both public and private, throughout our country.

The point I'm trying to make here is a simple and straightforward one: That in its budgetary and tax postures, and in its careless rhetoric, the Reagan administration has acted to erode the significant gains Congress has made since Congress adopted the Higher Education Act of 1965. Accordingly, I have been immensely heartened to see in the last 5 years, strong evidence of the bipartisan coalition in support of higher education that, Mr. Chairman, as you know, sir, characterized my years in Congress.

At the forefront of these efforts have been the members of this subcommittee, particularly its vigilant chairman, Congressman Ford, who has worked tirelessly to secure adequate support for the programs under the jurisdiction of the subcommittee.

I am very grateful for the leadership of the several skillful lawmakers who have taken the same posture. I think, for example, of the distinguished ranking minority member of the Committee on Education and Labor, Jim Jeffords of Vermont. I think, in the other body, of another outstanding Vermonter, Senator Robert Stafford, who chairs the subcommittee with responsibility for higher education, also a Republican.

I think of Senator Lowell Weicker, Republican of Connecticut, before whose subcommittee I appeared only 10 days ago, in memory as it were in support of the Education of Handicapped Children Act which was born 10 years ago, and of which I was author in the House of Representatives, as well as outstanding legislators like Senator Paul Simon, Democrat of Illinois, who chaired this subcommittee before he walked from one side of Capitol Hill to another. These programs have had, I must insist, Mr. Chairman, strong support from both Republicans and Democrats on Capitol Hill, and I am pleased to urge them, and you, Mr. Chairman, to continue your fight to secure, in the face of an indifferent or hostile executive branch, adequate levels of support for American Higher Education.

Now, I'm not, here, going to attempt a review of all 12 titles of the Higher Education Act and the programs they authorize. Rather, by way of conclusion, I want to touch on three areas covered by the legislation that, in my view, deserve the attention of all those interested in the future strength of higher education.

These areas are: Student financial aid; international education; and graduate education.

My aim here will not be to offer detailed policy descriptions, but rather to identify certain trends and possible problems.

As I've said, the passage of the Higher Education Act of 1965, the concept of universal access assumed a central place in public policy for higher education, and in that we said that these programs would be made available to students who attend both public and independent colleges and universities. We had another objective in writing these programs, and that was choice. Access and choice are the twin watchwords.

The result of these programs was a dramatic growth in the numbers of students who were able to go to college. That picture began to change in the early 1980's. Student aid programs are now experiencing severe financial strains, shifts that have serious consequences for delivering on the promises of the Higher Education Act.

Let me touch on some of the features in the changing landscape of student aid.

Under the Reagan administration, the expansion of student assistance has fallen. Adjusted for inflation, total student aid awarded in 1984–85, is almost 15 percent less than in 1980–81. By contrast, costs of attendance at all kinds of institutions have increased faster than the rate of inflation while, on average, family incomes have just about kept even.

As reported by the college board, this mix of costs, income, and aid over the last 2 years means that unlike what can be said about the last two decades, college has become relatively more difficult for families to afford in the 1980's.

Another trend to emerge since the mid-1970's, which I know is of concern to you, Mr. Chairman, is the increasing emphasis on loans over grants. The proportion of total aid awarded in the form of grants peaked in 1975–76 at 80 percent. In 1984–85, just under 45 percent of all aid is estimated to be in the form of grants. This substantial growth in the use of loans, primarily the Guaranteed Student Loan Program, and the resulting rise in its funding, should, I think, cause us all concern. Because the expansion in loans may mean less support for the Pell grants and other need-based grant programs that are the principal source of educational access for lower-income students.

A sharp decline in the number of needy students receiving aid under Federal assistance programs, has of course been a particular problem at the Nation's independent colleges and universities. For example, the proportion of needy students at private institutions receiving Pell grants fell from 66 percent in 1979–80 to 39 percent in 1983–84.

The shift to borrowing among students also generates worry about whether students are becoming overburdened with loans, which now account for over half of the total Federal aid programs. Heavy debt burdens may be a factor in discouraging the neediest students, especially minorities, from pursuing a college education at all.

Alternatively, college graduates faced with large loans to repay, may feel constrained to choose only those careers that maximize the earning power.

And the face of higher education today is changing, too. The typical college student today is no longer the high school graduate between the ages of 18 and 22, attending classes on a full-time basis. Part-time students represent the fastest growing segment of the postsecondary population, accounting for over 5 million students nationwide.

One-third of America's university and college students enrolled for degrees are over the age of 25. These shifts in the postsecondary population present therefore another challenge. How do we insure that individuals who can demonstrate financial need are not unfairly excluded from Federal aid simply because they may be older and attending class on a less-than-full-time basis.

Now, I realize that members of your subcommittee have been working on these and many other difficult issues, Mr. Chairman, over the last several months, and that these are problems that do not admit of easy simple or immutable solutions.

The Higher Education Act articulated certain goals to which the American people, acting through their Presidents and their elected Representatives in Congress made a commitment. The means to achieve those goals are and should be flexible subject to modification and response to new information and to changing patterns in our society.

Let me turn to the second of the three points I want to say a word about: International education.

You may recall, Mr. Chairman, that I was author, in Congress, of the International Education Act of 1966, which authorized grants for colleges and universities in the United States to support study and research about foreign countries and cultures, and important issues in international affairs. That initiative of 19 years ago, also proposed by President Lyndon Johnson, and signed into law by him, in as I recall, an airplane over Tuiluncorn University in Thailand is now title VI of the Higher Education Act. Here, too, the present administration has demonstrated its hostility to learning.

For the past 3 years, Mr. Reagan has attempted to eliminate Federal support for title VI, every time Congress has rejected his attempts.

And once again, I applaud the determination of Congress, expressed again only this week through the action of your subcommittee to strengthen international education. And I urge continued support to help colleges and universities prepare Americans for work and life in a world that will never be narrow again.

To my third and final point, Mr. Chairman. From 1980 to 1983, I served as a member of the bipartisan National Commission on Student Financial Assistance. That was a Commission, Mr. Chairman, of which you were also a member, composed of 12 persons, 3 appointed by President Reagan, 4 appointed by Speaker O'Neill, and 4 appointed by Senator Strom Thurmond, the President pro tempore of the Senate. I chaired, as I say, the Graduate Education Subcommittee of that Commission.

And in December 1983, the 12 members of the Commission including Congressman Ford, Senator Stafford, Senator Claiborne Pell, the distinguished Rhode Island Senator whose name is on the Pell grants, and then Congressman Erlenborn, Republican of Illinois, all of us unanimously approved our report on graduate education, and because in March 1984, I reported before your subcommittee, Mr. Chairman, on our findings and recommendations, I'm not going to repeat that statement now.

Our report, however, entitled "Signs of Trouble and Erosion: A Report on Graduate Education in America," warned of weakness in the Nation's graduate school capacities, including serious shortages in doctoral talent, obsolete laboratories, outdated library collections, and the potential loss of a generation of scholars in certain fields in the humanities and social sciences.

My colleagues on the Commission and I made clear that support of the graduate enterprise was the responsibility of many sectors of our society, State governments, foundations, business, and industry. But the Commission also unanimously agreed that indispensible to excellence in graduate education is the support of the Federal Government.

One of the most heartening responses to our report, therefore, was congressional approval in 1984, for the first time, of funds for the National Graduate Fellowship Program authorized in title IX of the Higher Education Act.

For fiscal 1985, Congress appropriated $2.5 million, for the Jacob Javits National Graduate Fellows to pursue graduate studies in the arts, humanities, and social sciences. Equally impressive, Mr. Chairman, was the action taken by your subcommittee last month in approving an initiative to set aside $50 million for grants for graduate programs and students in areas of national need such as mathematics, science, and modern foreign languages.

Once again, I express admiration at this response to the recommendations of the National Commission on Student Financial Assistance to strengthen support for the graduate enterprise. Let me say, finally, Mr. Chairman, that I'm confident that many of the concerns I've expressed here this morning, are those of the members of this subcommittee as well. For we share a common objective: To create a Federal policy that expands the opportunity for talented motivated Americans to pursue an education of quality at the college or university for which they may have the ability to gain admission.

On behalf of millions of American college university students and their parents, I reiterate, Mr. Chairman, the gratitude that all of us owe to you and the members of this subcommittee for your outstanding leadership in this area, for you have helped make real, to use his words, that fierce commitment of which Lyndon Johnson spoke 20 years ago, to the ideal of education for everyone.

Thank you very much, Mr. Chairman.

[The prepared statement of Dr. John Brademas follows:]

PREPARED STATEMENT OF DR. JOHN BRADEMAS, PRESIDENT, NEW YORK UNIVERSITY

INTRODUCTORY REMARKS

Mr. Chairman and members of the Subcommittee, I should like at the outset of my testimony to extend a warm greeting to my valued friend and colleague of many years, the distinguished Chairman of the Subcommittee on Postsecondary Education, Congressman William D. Ford, and the distinguished ranking minority Member, Congressman E. Thomas Coleman.

Under the outstanding leadership of Chairman Ford, this Subcommittee has become a powerful force for American education, and I salute you.

It is a particular delight to be in the company of that remarkable and lovely person who adds lustre to our proceedings, Lady Bird Johnson.

And I am pleased to share speaking privileges today with the Acting Assistant Secretary of Postsecondary Education, Ronald Kimberling.

May I also recognize a few friends here assembled: two former Secretaries of Health, Education and Welfare, Wilbur Cohen and Joseph Califano; and the President of the American Council on Education, Robert Atwell.

I want also to acknowledge another longtime friend and colleague who has made important contributions to the work of this Subcommittee, the Majority Staff Director, Dr. Thomas Wolanin.

And of course, I bring greetings to yet another companion from my days on Capitol Hill, our distinguished host at San Marcos, the President of Southwest Texas University, Robert L. Hardesty.

I am honored to have been asked to appear before you on the occasion of the 20th anniversary of The Higher Education Act of 1965.

It is, of course, a great personal pleasure for me to be here because, as you know, for the entire length of my own service in the House of Representatives—twenty-two years—I was a member of this Subcommittee. And if you will allow me to say so, I take continuing pride in having worked with some of you here today and all of your predecessors for over two decades to help shape the policies of our national government in support of education and other areas of American life, including The Higher Education Act of 1965.

As many of you know, for the past four and a half years I have had the privilege of serving as President of New York University, one of the foremost urban universities in the nation and, with 46,000 students in 14 schools and divisions, the largest private university in the world.

For more than a century and a half, NYU has been a university of opportunity, welcoming immigrants and their sons and daughters. We continue that tradition still.

I must tell the Members of the Subcommittee that as a result of my experiences on the university campus, I am even more convinced of the wisdom of the judgments you and I made twenty years ago in adopting legislation to expand the opportunities for a college education in the United States.

So I come before you today wearing two hats: that of a former Member of Congress and a sponsor of The Higher Education Act of 1965 and its subsequent reauthorizations, and as president of a major university who has witnessed firsthand the struggles and successes of students seeking a first-class education.

Allow me this morning then, from the perspective of a participant, to offer a brief history of The Higher Education Act and try to bring into focus the concerns and goals two decades ago of its parents in Congress.

Next I want to identify for the Subcommittee what I see as the major advances that followed The Higher Education Act. The last twenty years have seen important progress in opening the doors of educational opportunity to all qualified aspirants, and underlying much of this progress have been the resources and leadership provided by the Federal Government.

The several measures in support of education that many of you on this Subcommittee, both Republicans and Democrats, and I helped write were a direct expression of our concern that an opportunity for a college education be denied no talented and motivated student because of financial need.

Today I see disturbing signs that the commitment that informed that approach is being eroded. And so finally in my testimony today, I should like to indicate some directions—and problems—for the future as we consider the Federal role in higher education.

THE EVOLUTION OF A FEDERAL ROLE IN EDUCATION

I can think of no more appropriate setting than this—Southwest Texas State University—to speak of the history and aims of The Higher Education Act of 1965. For here there studied the greatest "Education President" in our history, Lyndon Baines Johnson. And here, twenty years ago today, *that* President signed into law that landmark legislation.

Of course, 1965 was a watershed year for many education initiatives. President Johnson made this point when he signed the legislation we gather to commemorate. Said the President:

"I consider The Higher Education Act—with its companion, the Elementary and Secondary Education Act of 1965 . . . to be the keystones of the great, fabulous 98th Congress.

"This Congress did more to uplift education, more to attack disease in this country and around the world, and more to conquer poverty than any other session in all American history. . . ."

All my life, Mr. Chairman, I shall be proud to have been part of that Congress and its achievements. But as members of this Subcommittee know well, the sources of legislation usually extend back many years and involve many persons, ideas and forces. Rarely, if ever, does a bill emerge full-blown from the minds of legislators in a single session.

The passage of The Higher Education Act of 1965 was one—albeit crucial—step along a legislative path that reached back several decades and continues even today.

Too many people forget, Mr. Chairman, that the Federal Government has been involved in higher education since the founding of the Republic. Grants of Federal land for higher education were provided to the States throughout the nineteenth century.

In 1862, Congress passed the Morrill Act under which Federal lands were distributed among the states to "establish colleges for the benefit of agriculture and mechanic arts."

During the Depression, several New Deal programs, like the National Youth Administration, the Civilian Conservation Corps and the Works Projects Administration, although not strictly educational, acted as funnels for Federal aid to students, and teachers, for construction of classrooms and for adult education.

The G.I. Bill of World War II, the most sweeping Federal education program ever enacted, afforded millions of returning veterans—of whom I was one— the means to go to college.

Each era has produced its own stimulus and rationale for the use of Federal tax dollars to assist higher education, the need: to promote land settlement and prepare citizens in the mechnical and agricultural skills; to keep students in class and off the unemployment lines during economic hard times; to reward those who defended the nation and ease the entrance of thousands of returning soldiers to the labor force.

NDEA: BEGINNINGS OF A NEW FEDERAL ROLE

In 1958 the justification for an expanded Federal role in education was a small, 184-pound sphere orbiting the earth once every ninety minutes. For the Soviets' launching of the world's first man-made satellite, Sputnik I, on October 4, 1957, sparked not only the beginning of a race to space but set in motion political forces that were to alter profoundly the relationship of the Federal Government to the nation's schools, colleges and universities.

With the passage of the National Defense Education Act, a new Federal purpose in education was articulated:

"The Congress hereby finds and declares that the security of the nation requires the fullest development of the mental resources and technical skills of its young men and women. . . The national interest requires . . . that the Federal Government gives assistance to education for programs which are important to our national defense." (PL 85-864, sec. 401).

The NDEA provided Federal funds to improve the teaching of mathematics, science and foreign languages in both schools and universities as well as money for college student loans and graduate fellowships and awards for university-based research.

As Lawrence Gladieux and Tom Wolanin observe in their invaluable book, "Congress and the Colleges," NDEA represented a quantum leap in the acceptable size and scope of the Federal role in supplementing the states in the field of higher education."

I entered Congress the year following enactment of the NDEA.

The next important step in higher education legislation came with the Higher Education Facilities Act, proposed by President Kennedy and passed by Congress in 1963. This measure authorized Federal matching grants and loans for undergraduate and graduate facilities construction.

During the early 1960s, Congress amended the NDEA three times—in 1961, 1963 and 1964. We increased the NDEA loan and graduate scholarship funds and expanded the original defense related focus to include the humanities and social sciences.

These early, tentative and incremental legislative steps set the stage for consideration of a more comprehensive measure to support the nation's colleges and universities and the students who attended them.

ENACTMENT OF THE HEA

On January 12, 1965, President Johnson sent Congress his Education Message, recommending Federal programs to aid all levels of education, from pre-school to graduate. The President's message was built around the theme of opportunity: "Every child must be encouraged to get as much education as he has the ability to take."

To accomplish this goal in higher education, President Johnson recommended scholarships, loans and work-study for students; aid to help small, struggling colleges; assistance to libraries; and support for university extension services.

In the House, the Administration's proposals were referred to the Subcommitttee on Special Education of the Education and Labor Committee. The Subcommittee was then chaired by Representative Edith Green, Democrat of Oregon. I was a member of the Subcommittee as were Republican Albert M. Quie of Minnesota and two legislators from my new state, Democrat Hugh Carey and Republican Ogden Reid of New York.

The Subcommittee and full Committee considered The Higher Education Bill in the spring of 1965. Controversy centered on the scholarship and loan guarantee provisions, but as finally reported, the measure contained both initiatives.

I might interject here that the most famous alumnus of Southwest Texas State Teachers College was not bashful about expressing, both through his White House staff and personally, his views on legislation before our Committee. As a Senator, President Johnson had sponsored loan insurance bills for college students; only a timely loan had enabled him to remain here in San Marcos in the late 1920s. He therefore felt strongly about the issue of Federally guaranteed loans and worked hard—and successfully—to persuade members of the House Education and Labor Committee to see the light.

Many of us, of course, were just as enthusiastic about the legislation as he and had worked, in my case, during the Administrations of Presidents Eisenhower and Kennedy, for educational measures.

On July 14, 1965, our House Committee reported The Higher Education Bill (H.R. 9567) by a vote of 21-2. The House passed it on August 6 by an overwhelming vote, 368-22.

The Senate moved its version a month later on September 2 by an equally impressive margin, 79-3. After a conference to work out differences, both bodies approved a final version on October 20.

On November 8, President Johnson travelled to San Marcos, to Southwest Texas State College, as it was then known, from which he had graduated thirty years before, and signed into law The Higher Education Act of 1965.

THE PROVISIONS OF HEA

The measure Lyndon Johnson signed that day, twenty years ago, established a new Federal charter in higher education. With the enactment of HEA, Congress took on important new responsibilities.

All told, the Act consisted of eight titles authorizing a total of $840 million for an array of programs.

The centerpiece was an "Educational Opportunity Grant" available to students of "exceptional financial need" in amounts up to $800. This was the first program of scholarships to undergraduates ever passed by Congress.

The Act also created a new program of Federally-guaranteed and subsidized commercial loans to students from low and middle income families.

In addition, the work-study program authorized the year before in the anti-poverty bill was transferred from the Office of Economic Opportunity to the Office of Education in HEW and considerably expanded.

Other titles in the Act authorized grants to college libraries; aid to "developing institutions" (primarily black colleges in the South); and expansion of the 1963 construction grant program. The Act also provided matching grants to states for establishing community service programs in colleges and universities as well as a new national Teacher Corps and teacher fellowships to attract new teachers to serve in impoverished areas and to help colleges improve teacher training.

CONGRESSIONAL INTENT

"An Act to strengthen the educational resources of our colleges and universities and to provide financial assistance for students in postsecondary and higher education. *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the Higher Education Act of 1965."

If The National Defense Education Act of 1958 represented a transition to a new Federal role in higher education, The Higher Education Act of 1965 was the maturation of that role. The 1965 Act was clearly distinguished from what had gone before by the scope of the programs it initiated and by the depth of Federal commitment it expressed.

Moreover, the rationale for that commitment was embedded in a new national goal—the broadening of access to higher education through aid to students.

Today there are some who say that those of us in Congress during the 1960s and 1970s did not really understand what we were doing when we wrote the laws to support education. Not so.

We who worked in committee and on the floor to fashion this legislation had clear and compelling objectives. For we were confronted with evidence of pressing problems for which a Federal response was both necessary and appropriate.

First, we heard disturbing testimony that large numbers of potential students were being denied access to colleges and universities, not because they were not able or not interested but simply because they could not afford to go.

In May 1965, 2.7 million students graduated from high school in the United States, but only about half (1.4 million) went on to college. The other 1.3 million never even started.

In testimony before the Special Education Subcommittee, the Secretary of Health, Education and Welfare, Anthony J. Celebrezze, estimated that unless student aid opportunities were expanded, approximately 100,000 able high school graduates each year would not go to college.

The Higher Education Act was therefore a direct expression of the concern of President Johnson and Members of Congress that an opportunity for a college education not be foreclosed because of lack of funds.

Another motivation prompted our efforts. Colleges and universities across the country were experiencing acute financial strains and were apprehensive about rising enrollments and the additional burden they would pose. The first wave of the baby boomers, you must remember, was heading for college in the period 1965-75. Overcrowded classrooms, inadequate libraries, deteriorating facilities—this was the scenario painted for Congress by presidents and deans of institutions of higher learning.

It was estimated in 1965 that, by 1970, colleges would have to be prepared to absorb an increase in enrollments of 50 percent. We in Congress, therefore, decided to provide support for the classrooms and libraries and equipment needed by colleges and universities if they were to meet the Nation's imperatives and expectations.

A second point to emphasize about the deliberations surrounding The Higher Education Act was the clear desire on the part of its framers to provide equal treatment for public and private educational institutions.

Certainly throughout the years I served in Congress, I was a strong champion of Federal support for both public and independent colleges and universities.

And I can assure you that when we in Congress were writing these Federal student financial programs into law, we pursued a policy of nondiscrimination between the public and private sectors of higher learning. For we recognized then that the existence of independent colleges and universities brings to American higher education more flexibility, diversity and freedom to risk and innovate than would be the case without them.

In crafting student aid programs, therefore, we were careful to ensure that—to revert to my native state—students receiving such assistance could use it to study not only at Indiana and Purdue Universities but at Notre Dame, Saint Mary's Goshen and De Pauw as well.

A third point I must underscore about The Higher Education Act of 1965 was that it enjoyed broad bipartisan backing.

At every stage of the legislative process—in Subcommittee, full Committee, and on the floor of both the House and Senate, the bills that were to become The Higher Education Act were approved by overwhelming margins, gathering support from both Republicans and Democrats. When the legislation came to a final roll call, Congress passed it by voice vote in the Senate and a five-to-one margin in the House.

Indeed, despite the reach and impact of the legislation and the legacy of controversy surrounding Federal aid to education, passage of HEA, was for a number of reasons, surprisingly easy.

First, I would point to the commitment and skill of Lyndon Johnson, a remarkable political force in his own right and, after the landslide 1964 election, able to win the support of substantial majorities in Congress.

Second, two previous roadblocks to Federal support of education, race and religion, had disappeared by 1965, largely overcome through the Civil Rights Act and Elementary and Secondary Education Act.

Finally, the goal of equal educational opportunity proved a powerful impetus. Such an objective called for a new and expanded Federal role in higher education, one that by 1965 had clearly attained widespread support among legislators.

THE GROWTH IN THE FEDERAL ROLE

The Higher Education Act of 1965—with its Educational Opportunity Grants, its Federally insured student loans (which would evolve into today's Guaranteed Student Loan Program) and its continuation of the College Work-Study program—set the pattern for all subsequent Federal support to students.

Another milestone in Federal student assistance was The Higher Education Amendments of 1972, in the crafting of which many people here today, including the Chairman of this Subcommittee, Tom Wolanin, and me were also involved.

That legislation established the Basic Educational Opportunity Grant Program (BEOG) now called Pell grants in honor of the distinguished Senator who sponsored them, to provide a foundation of grant support to needy students; and a program of Supplemental Educational Opportunity Grants to assist further these students. The 1972 Amendments also sought to create a Federal/state partnership in encouraging access to postsecondary education by establishing the State Student Incentive (SSIG) program, which supplies Federal matching funds to states for use in student aid grants.

In 1976 Congress intended and strengthened the Federal student aid programs of 1965 and 1972. The Middle Income Student Assistance Act of 1978 refined the criteria used to determine eligibility for Federal assistance with the purpose of making the Guaranteed Student Loan program accessible to those middle-income families who were more and more finding higher education beyond their financial means.

The 1980 Education Amendments introduced a new loan program for the parents of dependent students, the PLUS program, and authorized a schedule of increased student aid.

Throughout the 1980s Congress has been reviewing Federal student aid programs in order to ensure their effectiveness and, where possible, lower costs as part of an overall effort to reduce the Federal budget deficit. While Congress has maintained the basic structure of Federal student aid—and fought to keep support at adequate levels—some adjustments have been made in both eligibility criteria and administrative regulations.

Of course, this year The Higher Education Act is due to be reauthorized, which task, I know, has been the focus of your efforts over the past several months. Before commenting on several issues to emerge in the reauthorization debate and on future directions of Federal higher education policy, allow me briefly to review current programs and their contribution to the goals of The Higher Education Act of 1965.

Let me begin by noting the several dimensions of Federal support for higher education. They include—

(1) Student financial assistance;

(2) Programs to increase access of certain students; and

(3) Specific programs to address particular needs, such as aid for libraries, college housing and construction, international education, graduate study, and science instruction for minorities.

(4) In addition to these programs, the Federal government, provides—through the Departments of Defense, Agriculture, Transportation, Energy and agencies such as the National Institutes of Health and the National Science Foundation—the largest share of research dollars to colleges and universities.

(5) A fifth area where the Federal government has a major impact on higher education is the tax code. Like other nonprofit, charitable organizations, colleges and universities benefit from many incentives built into our tax structure. In like fashion, institutions of learning can also be severely damaged if such incentives are withdrawn or radically weakened.

I should like in my testimony today to focus on the first three of these areas of Federal involvement because they fall within the sphere of The Higher Education Act, and draw particular attention to student aid, its centerpiece.

THE SUCCESS OF STUDENT AID

What is the role of the Federal government today in providing aid to students? Together seven programs—Pell Grants, Supplemental Educational Opportunity Grants, College Work-Study, National Direct Student Loans, State Student Incentive Grants, Guaranteed Student Loans and Auxiliary Loans—will help make available in the 1985-86 academic year over $13 billion in loans, grants and other awards to between one-third and one-half of the estimated 12.5 million postsecondary students in the United States.

Largest of the grant programs, the Pell Grants, were established by the Education Amendments of 1972 for undergraduates who can show financial need.

Since 1973, Pell Grants have assisted approximately 18 million students. In the 1985–86 academic year, an estimated 2.6 million students will receive Pell Grants ranging from $200 to $2,100. Over half these students—55 percent—come from families with annual incomes of $9,000 or under.

Other essential components of the fabric of Federal student aid include:

Federally insured and subsidized loan programs. The largest of these, Guaranteed Student Loans, will provide nearly $7.5 billion to over 3.2 million students in 1985–86. Since its inception in The Higher Education Act of 1965, the GSL program has made loans available to over 21 million college students.

College Work-Study. This program helps students work their way through college. In 1985–86, CWS will provide jobs to an estimated 788,000 graduate and undergraduate students from low and middle-income families who demonstrate need.

Incentive Grants (SSIG) to encourage states to offer scholarships to students. In 1972, when SSIG was started, only 27 of the 58 states and territories had their own student aid programs; today 57 do.

Supplemental Educational Opportunity Grants (SEOG) and National Direct Student Loans (NDSL), the so-called "campus-based" student aid programs. Colleges and universities receive annual allocations of Federal funds for these programs; the institutions then make awards to individual students who demonstrate financial need.

The primary goal of this constellation of Federal student aid programs is to overcome the financial obstacles that may dissuade or prevent students from pursuing postsecondary education. There has been encouraging evidence that student aid is effective and that millions of students have been able to attend colleges, universities and vocational institutions who twenty years ago would not have had the chance.

Seven years after the passage of the HEA of 1965, I supported the creation of a National Commission on Financing Postsecondary Education. The Commission, on which I served, undertook the task of devising an analytical framework within which legislators, university leaders and others responsible for making policy to finance higher education could more carefully and systematically consider options and alternatives.

The report our Commission produced in 1973, entitled, "Financing Postsecondary Education in the United States," concluded that it would not be possible to ensure access and equity in postsecondary opportunity without the assistance of the Federal government. In making our case for continued and strengthened Federal support of higher education, members of the Commission concluded:

"Therefore, the Federal role, in large part, has been to give direct and indirect encouragement to the training of persons with specific skills that one believes to be in short supply nationally, to attempt to equalize educational assets across state lines, and to provide support that will assist private institutions that serve important educational objectives."

Yet another seven years passed and in 1980 Congress created the National Commission on Student Financial Assistance to examine Federal student aid programs and report to Congress and the President on them. By appointment of Speaker O'Neill, I was pleased also to serve on this Commission, and was Chairman of its Graduate Education Subcommittee.

In one of its final reports, our bipartisan 12-member Commission rendered this unanimous verdict:

"The studies which the Commission has conducted show clearly that the amount of Federal student assistance has resulted in significant progress towards the goal of providing access to postsecondary education for all students . . ."

But, concluded the Commission, ". . . (M)ore needs to be done."

THE HIGHER EDUCATION ACT—TWENTY YEARS LATER

Since 1965 The Higher Education Act has been the principle legislative vehicle for providing Federal financial aid to postsecondary students and institutions.

The Act currently consists of 12 titles and provides the statutory authority for over 40 postsecondary education programs. During the 1985–86 academic year, Federal spending for all HEA programs is expected to exceed $8.7 billion, with about 90 percent of this amount—$8.2 billion—accounted for by the student financial aid programs authorized under Title IV.

The other titles authorize support for of continuing education (Title I); college and research libraries (Title II); aid for developing institutions (Title III); teacher training (Title V); international education (Title VI); facilities construction and renovation (title VII); cooperative education (Title VIII); graduate education (Title IX); postsecondary improvement projects (Title X); and urban universities (Title XI).

As articulated in the current structure of The Higher Education Act, the Federal role in American postsecondary education revolves around four major policy themes:

First, equality of educational opportunity for students, encouraged through an array of student aid programs that emphasize educational access for low and middle income students.

Second, a measure of student choice among postsecondary educational institutions through student aid requirements that take into account cost differences among institutions;

Third, support for the concept of diversity among America's postsecondary educational institutions, through program eligibility criteria that permit participation by *both* independent and public colleges and universities; and

Fourth, the meeting of certain special educational needs through a number of categorical assistance programs targeted to such areas as adult continuing education, libraries, and international education.

Having reviewed the legislative history and philosophical underpinnings of HEA and spoken of its impressive impact, I should like now to consider briefly several issues that I believe require our attention as The Higher Education Act enters its third decade.

This, of course, is a most fitting time for such analysis and review since 1985 marks a reauthorization year for HEA and, Mr. Chairman, you and your subcommittee colleagues have only last month completed the first stage of crafting a bill to be considered by the full Education and Labor Committee next week.

Certainly, members of this Subcommittee, having just been through the rigors of examining, title by title, The Higher Education Act, are much more qualified than I to address areas of specific change. I have, for the last five years, not had the opportunity to grappel with all of the issues in the sustained and rigorous manner I would if I were part of a legislative body daily called upon to make decisions and cast votes.

From the perspective of a university President, however, and as someone still deeply interested in issues of education policy, I would offer the following observations.

FEDERAL BUDGET PRESSURE

The current reauthorization of the HEA is taking place in a climate of continuing opposition by the Reagan Administration to Federal support for education. There can be no question that President Reagan has mounted a steady attack against institutions of learning and culture in the United States.

These are strong words but justified by the record.

In 1981, as part of its omnibus budget package, the Reagan Administration made clear its intention to reduce Federal support for higher education through significant reductions in the fiscal 1982-84 authorization levels for most HEA programs.

In each budget it has submitted to Congress, the Administration has sought to cut funds for higher education.

Particularly hard hit has been student financial aid, such as Guaranteed Student Loans, Pell Grants and College Work Study. Support for all these programs has dropped from $10.8 billion in 1981 to $7.9 billion in 1984, a decline in current dollars of more than 25 percent.

Despite these steep reductions, the Administration proposed a higher education budget for fiscal 1986 that called for a slash of 25 percent below the adjusted 1985 level.

The fiscal 1986 Reagan budget also urged the elimination of all graduate education programs in the Department of Education.

Among the proposals offered at one point or another by the Reagan Administration over the last six years have been these: to restrict acess to Pell Grants; to cap eligibility for Guaranteed Student Loans at various income levels; to eliminate about a dozen programs designed to strengthen academic quality such as aid for libraries, international education and facilities renovation.

Since his swearing in, the second Secretary of Education in the Reagan Administration, William Bennett, has made numerous statements contemptuous of the values of a college education. He has accused colleges and universities of "ripping off" students; he has said students are preoccupied with cars, stereos and vacations at the beach.

He has charged that 13,000 students from families with incomes exceeding $100,000 were receiving guaranteed loans; representations—that, as you well know, Mr. Chairman—were demonstrated to be false.

Finally, President Reagan has urged changes in our tax laws that would work great damage not only to public schools but to colleges and universities, both public and private, throughout the United States.

The point I am trying to make here is simple and straightforward: that in its budgetary and tax postures, and in its careless rhetoric, the Reagan Administration has acted to erode the significant gains made since Congress adopted The Higher Education Act of 1965.

I have been heartened, therefore, to see in the past five years strong evidence of the bipartisan coalition in support of higher education that characterized my days in Congress.

Especially important is that Members of Congress—both Republicans and Democrats—have rejected the Adminstration's proposals for sharp cutbacks in student aid and for elimination of important higher education programs.

At the forefront of these efforts have been the members of this Subcommittee, particularly its vigilant Chairman, Congressman Ford, who has worked tirelessly to ensure adequate support for the programs under the jurisdiction of the Subcommittee.

Another dedicated advocate of higher education, of course, is the ranking minority member of the Education and Labor Committee, Jim Jeffords. And his fellow Vermonter on the Senate side, Robert Stafford, continues in that body to carry the flag for colleges and universities and the students who attend them.

So as I am deeply grateful for the outstanding leadership of these skillful lawmakers, I urge them—and you, Mr. Chairman—to continue your fight to secure in the face of an indifferent or hostile Executive Branch adequate levels of support.

The Higher Education Act was born in a spirit of bipartisanship; Congress must nurture and enhance that spirit.

I shall not here attempt a review of all twelve Titles of The Higher Education Act (and the programs they authorize). Instead I want to highlight three areas covered by the legislation which I believe require particular attention.

Those areas are: student financial aid; international education and graduate education.

My aim here is not to offer detailed policy prescriptions but rather to identify certain trends and possible problems.

THE FUTURE OF STUDENT FINANCIAL AID

As I have said, with the passage of The Higher Education Act of 1965, the concept of universal access assumed a central place in public policy for higher education. The result was a dramatic growth in program to help students and their families meet the costs of college.

Over the last two decades Federal financial aid to students has become by far the largest contributor to student aid—almost 80 percent of total assistance now comes through Federal programs—and an increasingly important dimension of college finance.

That picture began to change in the early 1980s. Student aid programs are experiencing severe financial strains and shifts that have serious consequences for delivering on the promises of The Higher Education Act.

Let me review some of the features in the changing landscape of student aid.

Under the Reagan Administration, the expansion of student assistance has come to an end. Financial aid to postsecondary students fell precipitously in the years 1981-83 and has only stabilized since then. In 1984-85, approximately $18 billion in aid to students will be awarded from all sources—Federal, State and institutional—about the same as 1981-82.

Of course, a realistic portrayal of trends in student aid must allow for inflation, which has seriously eroded the purchasing power of the dollar over the last two decades. Adjusted for inflation, total student aid awarded in 1984-85 is almost 15 percent less than in 1980-81. By contrast, costs of attendance at all types of institutions have increased faster than the rate of inflation while family incomes, on average, have just about kept even.

As reported by the College Board, this mix of costs, income and aid over the past two years means that, unlike what can be said about the last two decades, college has become relatively more difficult for families to afford in the 1980s.

Another trend to emerge since the mid-1970s is the increasing emphasis on loans over grants. The proportion of total aid awarded in the form of grants peaked in 1975-76 at 80 percent. In 1984-85, just under 45 percent of all aid is estimated to be in the form of grants.

This substantial growth in the use of loans, primarily the GSL program and the resulting rise in its funding, should in my view cause us all concern. For the extension in loans may mean less support for Pell grants and other need-based grant programs that are the principal sources of educational access for lower income students.

A sharp decline in the number of needy students receiving aid under Federal assistance programs has been a particular problem at the nation's independent colleges and universities. For example, the proportion of needy students at private institutions receiving Pell grants fell from 66 percent in 1979-80 to 39 percent in 1983-84.

The shift to borrowing among students also generates worry about whether students are becoming overburdened with loans, which now account for over half (52%) the dollar volume of all Federal aid programs. Heavy debt burdens may be a factor in discouraging the neediest students, particularly minorities, from pursuing a college education. Alternatively, college graduates faced with large loans to repay may feel constrained to choose only those careers that maximize their earning power.

The fact of higher education is changing, too. The typical college student today is no longer the high school graduate between the ages of 18 and 22 attending classes on a full-time basis. Part-time students represent the fastest growing segment of the postsecondary population, accounting for over 5 million students nationwide. One-third of America's college and university students enrolled for degrees are over the age of 25. These shifts in the postsecondary population present yet another challenge: how do we ensure that individuals who can demonstrate financial need are now unfairly excluded from Federal aid programs simply because they may be older and attending class on a less than full-time basis?

I realize that the members of this Subcommittee have been working on these—and many other—difficult issues over the past several months. They do not admit of easy, simply or immutable solutions.

The Higher Education Act articulated certain goals to which the American people, acting through their Presidents and elected representatives in Congress, made a commitment. The means to achieve those goals are and should be flexible, subject to modification in response to new information and to changing patterns in our society.

INTERNATIONAL EDUCATION

Some of you may recall that I was the author in Congress of the International Education Act of 1966 which authorized grants to colleges and universities to support study and research about foreign countries and cultures and important issues in international affairs. For I believed then and I believe now that the people of the United States, in whose hands, for better or for worse, lies much of the responsibility for building a peaceful and stable world, must do a far better job than we have been doing of learning about the peoples who populate other parts of this planet.

That initiative of 19 years ago, also proposed by President Johnson and signed into law by him, is now Title VI of the The Higher Education Act.

Here, too, the present Administration has shown its hostility to education. For the past threee years Mr. Reagan has tried to eliminate Federal suport for Title VI. Each time Congress has fended off his attempts.

Again, I applaud the Congressional determination, expressed again only this month through the action of this Subcommittee, to strenthen international education, and I urge continued support to help colleges and universities prepare Americans for work and life in a world that will never be narrow again.

GRADUATE EDUCATION

I noted earlier that from 1980-83 I served on the bipartisan National Commission on Student Financial Assistance, and chaired its Graduate Education Subcommittee. The members of that Commission, I remind you, were appointed, four each, by President Reagan, House Speaker Thomas P. O'Neill, Jr., and The President Pro Tem of the Senate, Strom Thurmond.

In December 1983 the Commission issued a report on graduate education which enjoyed the unanimous support of its members—among them, Congressmen Ford and Erlenborn and Senators Pell and Stafford.

In fact, in testimony before this Subcommittee in Washington, D.C., on March 19, 1984, I reported on the findings and recommendations of the Commission. Given that earlier appearance, I shall not here go into detail.

Our report, entitled, "Signs of Trouble and Erosion: A Report on Graduate Education in America," warned of weakness in the nation's graduate capacities, including serious shortages in doctoral talent, obsolete laboratories and outdated library collections, and the potential loss of a generation of scholars in certain fields in the humanities and social sciences.

My colleagues on the Commission and I made clear in our report that support of the graduate enterprise was the responsibility of many sectors of our society: state governments, foundations and business and industry. But the Commission also agreed—unanimously—that indispensable to excellence in graduate education is the support of the Federal government.

One of the most heartening responses to our report was Congressional approvel in 1984, for the first time, of funds for the National Graduate Fellowship program authorized in Title IX of The Higher Education Act.

For fiscal year 1985, Congress appropriated $2.5 million for the Jacob Javits National Graduate Fellows to pursue graduate studies in the arts, humanities and social sciences.

What has been the response of the Reagan Administration to this bipartisan Congressional initiative? The Reagan budget for fiscal 1986 called for the elimination of all graduate education programs in the Department of Education and for the rescission of all funds for the National Graduate Fellows program.

In my view, Mr. Chairman, Mr. Reagan simply does not seem to understand that when he attacks education at the graduate as well as undergraduate levels, he is really attacking our prospects for a strong and growing and competitive economy . . . and he is attacking our capacity for a powerful and effective foreign and defense policy.

Once more, I express admiration at the response of both Republicans and Democrats in Congress for rejecting the Reagan cuts in graduate research and training.

Equally impressive, Mr. Chairman, was the action taken by this Subcommittee last month in approving an initiative proposed by Congressman Coleman to set aside $50 million for grants to graduate programs and students in areas of "national need" such as mathematics, science and foreign languages.

Indeed, the National Commission on Student Financial Aid urged increased support for financial aid for graduate students as well as for the deteriorating "infrastructure" of graduate research—libraries, laboratories and equipment.

Let me say finally, Mr. Chairman, that I am confident that many of the concerns I have here expressed are the concerns of the Members of this Subcommittee as well. For we share, I am confident, a common objective—to create a Federal policy that expands the opportunity for talented, motivated Americans to pursue an education of quality at the college or university for which they have the ability to gain admission. Access and choice are the twin watchwords.

Mr. Chairman. on behalf of millions of American college and university students and their parents, I reiterate the gratitude that all of us owe to you and the other members of this Subcommittee for your outstanding leadership in this area.

You have helped made real that "fierce commitment" of which Lyndon Johnson spoke twenty years ago, "the ideal of education for everyone."

Mr. FORD. Thank you, Dr. Brademas.

Now, Dr. Ronald Kimberling, Acting Assistant Secretary for Postsecondary Education of the U.S. Department of Education.

You don't have a prepared statement?

Dr. KIMBERLING. Yes, I do have a prepared statement.

Mr. FORD. Without objection, we'll place that in the record. You may add to it, supplement it or comment on it in any way you feel most comfortable, Ron.

STATEMENT OF DR. C. RONALD KIMBERLING, ACTING ASSISTANT SECRETARY FOR POSTSECONDARY EDUCATION, U.S. DEPARTMENT OF EDUCATION

Dr. KIMBERLING. Thank you very much, Mr. Chairman. I will proceed to speak from my statement with the usual amount of adlibbing.

I do very deeply appreciate this opportunity to participate in the commemoration of the 20th anniversary of the Higher Education Act of 1965, and as Dr. Brademas had indicated that he comes before you today wearing essentially two hats, I would point out that I also wear two hats. The representative of the U.S. Department of Education but also as a member of the baby boomer generation that was the primary intended beneficiary generation of the act.

I matriculated into college in the year 1967, not very long after the passage of the act, and in fact the Federally Insured Student Loan Program of the act helped, in part, to cover the cost of my own college education. Since my parents were high school dropouts and I grew up in a lower working class family, I very deeply appreciate the advantages and the opportunities that were afforded to me under this program.

And I also want to assure you, Mr. Chairman, that I'm making current payments on my student loans.

Well, the title of this morning's hearing was "Two Perspectives," and I believe that we probably will hear two perspectives but I do want to make it clear from the outset, Mr. Chairman, and friends and educators, and countrymen, that I come to praise the Higher Education Act, not to bury it.

Many of you here today at this commemoration were involved in the passage of this historic legislation. This legislation has helped millions of young people to obtain a higher education. I think when we examine the impact of this legislation, and we examine what it did to help solidify the concept of a Federal role in higher education, to bring together some ideas that have been outlined as Dr. Brademas enumerated in his historical chronology, as well as some new concepts, that we probably for the first time developed a concept of the Federal role that remains with us today, and that indeed I think reflects the views not only of the bipartisan Members of Congress, but in terms of the conception of the Federal role of President Reagan and of the executive branch.

When the Higher Education Act was being drafted, Federal policymakers did face a world considerably different from that which we see today. In 1965, the baby boomers were beginning to swell college enrollments. We look at the period from 1965 to 1975, total enrollments had increased by 108 percent.

This tremendous increase in enrollments had already strained the capacity of our colleges and universities, and the future, from the vantage point of 1965, promised even more growth and created even greater demand on facilities and personnel.

Today, we are in an era of stable and some warn of perhaps declining enrollment. We're faced with the challenges that come from maintaining, and not necessarily expanding higher education. Along with the increase in enrollments in 1965, came a renewed understanding of the need for an educated society. Other nations had outpaced the United States; they had taken the lead in several critical areas, and as we have mentioned on several occasions over the past 2 days, the Soviet oneupmanship in education was brought to the forefront with the sputnik launching in 1957. This was still very much fresh in our minds in 1965.

In 1965, the economy was robust. With a total deficit of only $323 billion, by today's standards, a drop in the bucket, unemployment was only 4.4 percent; the prime rate was a mere 4.5 percent and home mortgages and interest rates on them were below 6 percent.

The American people and the Congress were in a very generous mood. Although one can point out the uniqueness of the ties, there are also some striking similarities. The bill report accompanying the original Higher Education Act, for example, cites numerous factors that are similar to our current environment. The 1965 report language cites the need for the student assistance programs as unquestionably current and dramatic.

The report points out that the cost of higher education had increased perceptively from year to year, and in that report, there's the statement, "There is every indication that this spiral will continue."

Certainly, it has. Anyone familiar with the current climate should recognize that this concern remains with us. In the same vein, the bill report points out that:

> Recent studies show conclusively that the burgeoning costs of higher education have already priced baccalaureates and graduate degrees completely out of the market for millions of young Americans.

I don't believe that sounds like old news.

The committee also observed that an alarming proportion of this Nation's colleges and universities are not offering an education of an adequately high standard. I think that sounds familiar. There was also concern expressed in 1965, as now, over the serious shortage of trained and educated persons in many areas, particularly in technology. We didn't have the microchip being manufactured at that time; we didn't have the quartz crystal technology, a number of other new technologies, and yet, one could read repeated reference to the critical shortages in highly skilled professional and technical workers in the hearing record and in the words of the committee members.

These shortages in 1965, as now, pose a serious threat to an expanding and viable economy, we well as to our military capability. The Higher Education Act of 1965 was an attempt to address these and other concerns. I think there are many measures of its success. Largely as a result of the assistance available through the Higher Education Act, our postsecondary student population grew from around 5 million students in 1965, to over 12 million in 1985. Approximately 100 million student assistance awards have been made to students over these past 20 years.

The amount of funds made available to students under the act has increased from $200 million appropriated in the original 1965 act to an estimated $14 billion made available under the current appropriation. That is a seventy-fold increase in 20 years. And by comparison, the consumer price index for the same period has only increased threefold.

Approximately one-half of all postsecondary students, some 6 million students, are receiving now some form of federally financed student assistance, compared to fewer than 7 percent receiving assistance under the National Defense Education Act, the predecessor act.

More than half of the Nation's high school graduates go on to attend some form of postsecondary education. This is the largest percentage rate of participation in postsecondary education among industrialized nations. The authors of this legislation—and I am pleased to be sitting with two of them—probably never anticipated that their work would result in having a universe of nearly 8,000 postsecondary institutions participating in the programs under the act, with nearly 13,000 lenders providing loan capital guaranteed by agencies in every State.

Although Federal funding has increased, the Federal role remains one which, as I said earlier, was and continues to be as described in 1965. That description called for the Federal Government, and I'm again quoting:

> To be a partner and not a boss in meeting responsibilities to the people. The final decision, the last responsibility, the ultimate control must and always will rest with the local communities.

These were the words of President Johnson upon the signing of the Higher Education Act here in this very location in Texas 20 years ago. It is a measure of the wisdom of the drafters of this legislation that the sentiments surrounding the act are echoed even 20 years later by an administration headed by a Republican President.

While we are here to commemorate the role which the Federal Government has played, we must also point out that our partners in the educational enterprise have not let us down. Over the past two decades, State and local support to higher education has increased fivefold. Over the same period, private gifts and grants to higher education have also increased approximately fourfold. As we continue in our efforts to stay within the bounds of this sentiment of Federal support without control, I would like to restate what I believe should be the primary focus of our efforts.

These are the primary boundary lines of what I believe to be the appropriate Federal role in higher education. First and foremost, the Federal Government must to continue to insure access and opportunity for postsecondary education for our citizenry. Every qualified individual should be able to obtain, with assistance, some form of higher education. It has taken 20 years to reach the point of guaranteed access. I don't believe any of us intend to retreat from this accomplishment.

Second, Federal funding for basic research in higher education should also continue. Such support has been, and continues to be an important mission of several Federal agencies including the National Science Foundation, the National Institutes of Health, and the National Aeronautics and Space Administration. Even though the preponderance of research funding does not fall within the scope of the Higher Education Act, this is a very very important basic historical and long-lived aspect of the Federal role which should not go without mention.

Third, the Federal Government has historically provided funding for a variety of institutional support and incentive programs. These programs have been designed to address critical needs which our Nation's colleges and universities have faced. Among the institutions which continue to face the gravest sorts of problems, are this country's historically black colleges and universities. We will continue to support these institutions and other institutions as they attempt to meet the challenges before them and progress toward self-sufficiency.

I would note one of the legacies of the administration of which I am a part, was the passage in 1983 of the New Endowment Grant Program, which also, as is the history of the Higher Education Act, enjoyed great bipartisan support in the Congress. This program provides matching grants under title III of the act for institutions with little or no endowment to begin to build the kind of endowments that will enable them to stave off the wolf at the door, and to save up for a rainy day and to provide for a long-lasting basis of bedrock financial support.

This small program, which began with only $7 million of funding in 1984, Mr. Chairman, has grown to $23 million program this year, and we continue to strongly advocate its growth and its support for the higher education enterprise.

Fourth, the Federal Government has taken an important leadership role in fostering international education exchange. The U.S. Department of Education funds approximately 1 percent of the exchanges in the international area. But the exchanges that are funded principally through the U.S. Information Agency, the Agency for International Development, and other agencies and which are authorized under other legislation, have resulted in increased understanding among nations, and enhanced the ability of our colleges and universities to educate in a world which has shrunk to the relative size of a global village.

Finally, the Federal Government has a responsibility to measure and assess the impact of our educational system. Through research and statistical studies, we must keep track of the health of the educational system in order to prevent any deterioration of the quality of education and in order to provide the kind of information that's critically needed for higher education planners, and higher education leaders.

Of particular interest to me, as I reviewed the 1965 bill reports and the floor debates were the consistent references to quality, and the acknowledgment that addressing only the issue of quantity, without also addressing the issue of quality, would be an empty victory indeed. And I am quoting from the report language again, which states:

> This incredible lack of quality in American higher education must not be lightly regarded. Building hundreds of colleges and developing thousands of teachers is a futile exercise if this new quantity is not accompanied by quality. The whole purpose of encouraging young people to study further is destroyed if the colleges which they attend are not of sufficient caliber to offer them a higher education.

I think a concern for quality continues to be perhaps our greatest challenge, and we have an opportunity with the flattening enrollment and the decline of the baby-boom generation, I think, to do something about it. Secretary Bennett, speaking before the American Council on Education, recently stated that quality of the product, quality of the education received, this is the issue. In recent years, we have concentrated on the quantity of higher education, we may speak proudly of the number of our universities, the number of their programs, and the number of students to whom they are accessible.

The Census Bureau has recently told us that in terms of the numbers of Americans receiving high school and college diplomas, we are the most educated people in the world. Let's make sure we are also the best educated in the world. Well, unlike the situation when the original Higher Education Act was drafted, we are not now facing immediate problems of quantity. We are still facing problems of access, problems of information, problems of cost, but we are not confronted with burgeoning enrollments or a lack of basic facilities.

This provides us with an important and historic opportunity to fulfill the promise of the original Higher Education Act, that our students not only have access to postsecondary education, but access to a meaningful quality education. The Higher Education Act set in place a mechanism for Federal support to higher education which, for the most part, provides for indirect support to institutions of higher education, which, I think, is one of the brilliant strokes in this act.

This indirect support to institutions in the form of student financial aid, has strengthened our decentralized system of higher education, while providing access in choice to students throughout the Nation. At a recent conference on educational reform held in Japan, I heard firsthand how admired our educational system is throughout the world. We heard from Governor White this morning that Japan is the sputnik of the present age.

But having recently returned from Japan, I would say that in the area of higher education, Japan is eager and indeed willing, to look toward America, as they looked toward America for the models that have led to their significant developments in elementary and secondary education in the postwar environment.

There are many problems with Japanese higher education, problems of financing, problems of access, problems of the highly competitive atmosphere of the student entrance examinations and a syndrome that can only be described as a let-down lethargy following entrance into the university. There are problems of professional management and administration of Japanese institutions of higher education.

The faculty governance is admirable by our standards, but it does not admit into the Japanese system of higher education the class of professional administrators that in many cases and in many ways, particularly with declining enrollments, has helped our colleges and universities get through some very tough times. There are also problems of the exposure of Japanese students in their system to the kind of academic freedom and the engagement of dialog among faculty members who differ over methodological approaches to their disciplines.

Their strict, hierarchical arrangement, their faculties allow for the predominance of one method over another within the same discipline. And so the Japanese, in many ways, Mr. Chairman, are looking toward the decentralized American system, the system that promotes choice for the student through the student aid programs, and which allows a greater amount of engagement on serious academic issues in our system.

I must say that not only the Japanese, but also the European delegates to this conference were highly complimentary of our system of assisting higher education institutions by empowering students with the gift of individualized choice through our various student aid programs.

In the years ahead, we face a challenge in America of building on these accomplishments and ensuring the continued strength of our educational system, and as a result, our Nation.

I thank you for this opportunity to be part of this historic celebration.

[The prepared statement of C. Ronald Kimberling follows:]

PREPARED STATEMENT OF C. RONALD KIMBERLING

I appreciate this opportunity to participate in this commemoration of the twentieth anniversary of the Higher Education Act of 1965. Many of you here today were involved in the passage of this historic legislation, which helped millions of young people, including me to obtain a higher education. Thank you.

I also want to assure you, Mr. Chairman, that I'm making regularly scheduled payments on my FISL loans!

When the Higher Education Act was being drafted, Federal policy makers faced a world far different from that which we see today. Back in 1965, the baby boomers were already beginning to swell college enrollments. Between 1955 and 1965, enrollments had increased by 108%. This tremendous increase in enrollments had already strained the capacity of our colleges and universities. The future promised even more growth and created even greater demand on facilities and personnel. Today, we are in an era of stable, if not declining, enrollment. We are faced with the challenges which come from maintaining—not expanding—higher education.

Along with this increase in enrollments came a renewed understanding of the need for an educated society. Other nations had outpaced the U.S. and had taken the lead in several critical areas. The Soviet one-upsmanship with Sputnik, was still fresh in our minds.

In 1965, the economy was robust, with a total deficit of only $323.2 billion, which by todays standards, unfortunately, is a drop in the bucket. Unemployment was only 4.4%, the prime rate was a mere 4.5%, and home mortgages had interest rates below 6%. The American people and the Congress were in a generous mood.

Although one can point out of uniqueness of the times, the similarities are also striking. The bill report accompanying the Higher Education Act of 1965 cited numerous similarities to our current environment.

The 1965 Report Language cites the need for the Student Assistance Programs as unquestionably (quote) "current and dramatic". The report points out that the cost of higher education had increased perceptively from year to year and states (quote) "there is every indication that the spiral will continue". Anyone familiar with the administration's budget proposals should recognize this concern. In the same vein, the report points out that (quote) "recent studies show conclusively that the burgeoning costs of higher education have already priced baccalaureates and graduate degrees completely out of the market for millions of young Americans". Does that sound like old news?

The committee also observed that an "alarming proportion of this nation's colleges and universities are not offering education of an adequately high standard." Sound familiar?

There was also concern expressed, then as now, over the serious shortage of trained, educated persons in many areas, particularly, technology. At the time, one could read repeated reference to the critical shortages in highly skilled professional, and technical workers. These shortages posed a serious threat to an expanding and viable economy, as well as our military capability. Sound familiar?

The Higher Education Act of 1965 was an attempt to address these and other concerns. There are many measures of its success.

Largely as a result of the assistance available through the Higher Education Act, our postsecondary student population grew from around five million in 1965 to over twelve million in 1985.

Almost 100 million student assistance awards have been made to students over these past twenty years.

The amount of funds made available to students under this act has increased from $200 million in 1965 to an estimated $14 billion in 1985. That's a 70 fold increase in twenty years! (The Consumer Price Index for the same period has only increased three fold by comparison).

Approximately one half of all postsecondary students are now receiving some form of federally financed student assistance, compared to less than seven percent receiving assistance under the National Defense Education Act.

Over one half of the Nation's High school graduates go on to attend some form of postsecondary education.

The authors of this legislation probably never anticipated that their work would result in having nearly 8,000 postsecondary institutions participating in the programs under the Act, with nearly 13,000 lenders providing loan capital guaranteed by agencies in every state.

Although the federal funding has increased, the federal role remains one which was and continues to be as it was described in 1965. That description called for the Federal Government "to be a partner, not a boss in meeting . . . reponsibilities to the people . . . the final decision, the last responsibility, the ultimate control, must, and will always rest with the local communities." These were the words of President Johnson upon the signing of the Higher Education Act here in Texas twenty years ago.

It is a measure of the wisdom of the drafters of this legislation that the sentiments surrounding the act are echoed over twenty years later by an administration headed by a Republican president.

While we are here to commemorate the role which the Federal government has played, we must point out that our partners in the educational enterprise have not let us down. Over the past two decades, State and local support to higher education increased five fold. Over the same period, private gifts and grants to higher education also increased approximately four fold.

As we continue in our efforts to stay within the bounds of this sentiment of Federal support without control, I would like to restate what I believe should be the focus of our efforts.

First, the Federal government must continue to ensure access and opportunity for postsecondary education for our citizenry. Every qualified individual should be able to obtain some form of higher education. It has taken twenty years to reach the point of access, and we do not intend to retreat from this accomplishment.

Second, Federal funding for basic research institutions of higher education should continue. Such support has been and continues to be an important mission of several Federal agencies including the National Science Foundation, the National Institutes of Health, and the National Aeronautics and Space Administration.

Third, the Federal government has historically provided funding for a variety of institutional support and incentive programs. These programs have been designed to address critical needs which our nation's colleges and universities have faced. Among the institutions which continue to face the gravest problems are this country's historically Black colleges and universities. We will continue to support these and other institutions as they progress toward self-sufficiency.

Fourth, the Federal government has taken an important leadership role in fostering international education exchange. These exchanges principally funded by United States Information Agency and the Agency for International Development have resulted in increased understanding among nations and enhanced the ability of our colleges and universities to educate in a world which has shrunk to the relative size of a "global village".

Finally, the Federal government has a responsibility to measure and assess the impact of our educational system. Through research and statistical surveys, we must keep track of the health of the education system in this country to prevent any deterioration of the quality of education, and to provide critical information to educators, policymakers and planners.

Of particular interest to me as I reviewed the 1965 bill reports and floor debates were the consistent references to qualify and the acknowledgement that addressing only the issue of quantity without quality would be an empty victory. The report language, again, states "This incredible lack of quality in American higher education must not be lightly regarded . . . Building hundreds of colleges and developing thousands of teachers is a futile exercise if this new quantity is not accompanied by quality. The whole purpose of encouraging young people to study further is destroyed if the colleges which they attend are not sufficient caliber to offer them a higher education". A concern for quality continues to be our greatest challenge. Secretary Bennett, speaking before the American Council on Education recently, stated that "Quality of the product—quality of the education received—this is the issue. In recent years we have concentrated on the quality of the higher education; we may now speak proudly of the number of our universities; the number of their programs, and the number of students to whom they are accessible. The Census Bureau has recently told us that, in terms of the numbers of Americans receiving high school and college diplomas, we are the most educated people in the world. Let's make sure we are also the best educated in the world."

Recently, at an international conference on educational quality held in Japan, I had the opportunity to hear first-hand what others thought of the American system of higher education. Not only the Japanese, but many European delegates as well, were highly complimentary of our system of assisting higher education institutions by empowering students with the gift of individualized choice through our various student aid programs.

Unlike the situation when the original Act was drafted, we are not now facing problems of quantity—we are not confronting burgeoning enrollments or a lack of basic facilities. This provides us with an extraordinary opportunity to fulfill the promise of the Higher Education Act—that our students not only have access to postsecondary education, but to a quality education.

The Higher Education Act set in place a mechanism for Federal support to higher education which, for the most part, provides for indirect support to institutions of higher education. This indirect support to institutions—in the form of student financial aid—has strengthened our decentralized system of higher education while providing access and choice to students.

Mr. FORD. Thank you, Secretary Kimberling, for a very fine, positive statement.

We have just about 4 minutes, according to my schedule here. John, would you like to add anything?

Mr. BRADEMAS. Well, I also want to compliment the Secretary on his statement. But knowing me, Mr. Chairman, you won't mind if I take his statement as an opportunity to attempt, obviously not directing myself to him, personally, but to draw some attention to some of the disparities between the goals that he articulated with great eloquence and which I've made clear I share, and the policies of the administration with which he is presently afflicted.

First of all, he talked about the importance of assuring access to every qualified student to some form of higher education. The phrase "some form" troubles me because I find that it may not be on all fours with another phrase that he spoke later, with the second of which I am completely in agreement, that we must seek to assure both access and choice.

And one of the concerns that, Mr. Chairman, members, I believe, of your committee and certainly many of us in the university world have had is that, if there is a continued drive on the part of the administration for sharp reductions in student financial assistance, that can have the effect of denying talented qualified young men and women, and older men and women, for that matter, the choice of which the Secretary and I both agree is important.

A second goal that he spoke of for the Federal Government is basic research, and I strongly agree with him there. But I am concerned, Mr. Chairman, that if you look at the budgets of this administration, most of the increases in support for university-based research are not to be found in NIH—and I was making a speech in New York last night on this subject so it is very fresh in my mind, indeed, it has been, again, Republicans in Congress who have insisted over the objection of the administration, on more funds for research awards funded through the National Institutes of Health—but rather, the increases in research and development moneys in this administration's budgets have come in the Department of Defense.

So that, in effect, if you want to go for more research, why you'd better give a call at the Pentagon.

A third observation he made had to do with the increase in funds that the administration has made, if I understand him right, in moneys for historically black colleges, and I applaud that. However, as he indicated, I believe the amount of money in the current budget is $23 million? Was that what he said?

Dr. **Kimberling.** Well, if I could jump in?

Mr. **Brademas.** Please.

Dr. **Kimberling.** It's $23 million for the endowment grant program. The historically black colleges received $45.7 million under title III.

Mr. **Brademas.** Thank you.

Forty-five and 23, something like that, in all candor, that is a drop in the bucket. It doesn't amount to much. Just not very much money in the entire universe of problems that confront higher education.

I have to tell you, Mr. Chairman, that for my university, which has a very low per-capita student endowment, probably one-fifteenth that of Harvard, let's say, I have to raise $1 million a week. That is a lot of money to raise, but that's what I have to go out and seek to generate and we've been doing that at my university.

But I only mention that to give you some idea of relative amounts of money.

Then, the Secretary spoke, and I was pleased to hear him say it, of the importance of the Federal role in supporting international educational exchange. Having said that I sponsored the International Education Act of 1966, it must be obvious that I am deeply devoted to that purpose, and, in fact, I believe that one of the reasons that the United States has had such terrible problems in the conduct of its foreign policy under both Republican and Democratic Presidents, has been that we were not adequately equipped with men and women sophisticated and knowledgeable about other cultures and peoples of the world. John King Fairbank, the distinguished authority at Harvard on China, made a speech some 20 years ago, maybe not quite that many years ago, in which he said that, at that point when the United States began to become deeply involved in Vietnam, we did not have six senior scholars in this country who knew the language and culture of that people.

And involvement with Vietnam, of course, tore our country apart for some time, cost us billions of dollars in treasure, and of course, the lives of thousands of men. The problems that we went through in Iran, I believe, in the hostage crisis, are in part also to be ascribed—and there was a President of my party in the White House at the time—to our lack of appreciation that the key figures in making decisions in that country were not the governmental officials but were the religious leaders.

In writing the Graduate Education Report of the National Commission on Student Financial Assistance, my colleagues and I talked to Secretary Weinberger, and to two former directors of the Central Intelligence Agency, Stansfield Turner and William Colby, and all three of them spoke of the deficiencies in our country in lack of knowledge about other countries of the world, particularly where we had profound foreign policy interests, and I will say, though I disagree with him on many matters, that Secretary Weinberger has been eloquent in his support for international education. My colleagues from my former State of Indiana, Senator Richard Lugar, Chairman of the Foreign Relations Committee, Republican, and Congressman Lee Hamilton, Democrat of Indiana, have both sponsored legislation to provide more support for training of American authorities in Soviet and Eastern European affairs.

The President of the United States is shortly to sit down with Mr. Gorbachev. With no disrespect to the President, I hope that he is well-equipped for those meetings. I hope that his counselors are well-equipped. I'm not sure, and therefore, when I hear Secretary Kimberling say that he supports international educational exchange, I applaud him, but I have to call to his attention that this administration has repeatedly attempted to kill or cripple programs for the—the Fulbright Exchange Programs, other foreign exchange programs, and it was only as a consequence of rallying on university campuses across this country that both Republicans and Democrats in Congress joined to block the most savage of these reductions.

I do not see any great support, other than rhetorical, from the administration when it comes to expanding our efforts in these areas.

Then the Secretary spoke of the importance of research. I hope the Secretary will observe that I was listening carefully to what he had to say. Now, as you know, Mr. Chairman, and forgive the self-reference, but as you know, I was the author of the National Institute of Education, in 1972, as I recall, we wrote it into the Omnibus Education Amendments of that year.

That legislation was a consequence of a recommendation made by a Republican President, President Nixon, on the advice of Senator Moynihan, who was then a member of Mr. Nixon's White House staff, to create an entity in our national Government that would give particular attention to research in education. Here we spend all this money on education, but, as the Secretary has indicated, we need to know better what we are getting for that money.

I agree with him on that. And many of us in Congress writing legislation were often frustrated, you'll recall, Mr. Chairman, when we tried to get out of the university community thoughtful intelligent evidence and analysis to help us with the problems we were wrestling with and we thought the National Institute of Education would help us do that. And I still think it was a wise idea. But under administrations of both parties, we have not done a very good job of supporting that.

I salute Terrel Bell, President Reagan's first Secretary of Education, for protecting the NIE against the efforts of the far right—to be candid about it—to seize it and make it an instrument of partisan political warfare. That is not what it is supposed to be. These are not supposed to be partisan entities; they are supposed to serve the purposes and causes of education.

Now, we are observing a restructuring in the Department of Education of the research function led by my old friend, Chester Fynn. I'm not clear on what is happening. I notice that Sven Groennings, the director of FIPSE, which Congressman Quie, Republican of Minnesota, and I also helped put together, the Foundation for the Improvement of Postsecondary Education, has been fired.

And I know that the chairman of the FIPSE advisory committee, a Republican Lieutenant Governor from Vermont, is deeply distressed at what he fears, as do other members of the FIPSE council, most of whom are Republicans, fear an effort to politicize this very modest effort. It's only about $12 million a year, to help support innovation, new ideas and quality in higher education.

Finally, I want to applaud what Mr. Kimberling said about the importance of the Federal Government supporting quality. I totally agree and if you read our Graduate Education Report you will see that a commitment to quality runs throughout that document. And I have talked to Secretary Bennett. I know he's concerned about quality. But I must say, it's very difficult to ensure first class teachers, first class laboratories, first class facilities, and first class students without money. [Applause.]

I didn't know my mother was here this morning. [Laughter.]

And so I simply want to say, Mr. Chairman, that I applaud the commitments that the Secretary has eloquently articulated. I am confident that he feels that way about it. I share those commitments and I hope very much that he will raise his voice within the department that he serves to work with Republicans and Democrats in Congress to provide support to make real those commitments.

The final statement I shall make, Mr. Chairman, is that in the last 20 years, after the departure of President Johnson, that initiatives to support education in our country did not come from the White House. They came from both Democrats and Republicans in the Congress of the United States, and though I have been away from the Hill for 5 years, now, I am all the more grateful that we do not have in this country a parliamentary system where the legislators have to do what the executive branch tells them.

Thank you, Mr. Chairman. [Applause.]

Mr. **Ford**. Thank you, Dr. Brademas. I would like to observe, for the record, because you mention in your primary statement, and again in your second comments, the importance of graduate education, that I had introduced in the last Congress a Graduate Education Act. I did not reintroduce it this time because we were going to be about the business of reauthorization, but Tom Coleman, the ranking Republican on this committee, did introduce a Graduate Education Act, and you'll be pleased to know that when he presented that to us for inclusion in reauthorization, he gave every indication that he had relied very strongly on the work of the Commission and the subcommittee that you chaired in drafting the legislation.

We took all of Tom Coleman's Graduate Education Act and incorporated it into the reauthorization, which does indeed, we think, move us in a direction of greater emphasis on this concern. And we have probably in real dollars lost on a percentage basis more in graduate education in the last 10 years than we have generally. And there is great concern, particularly at a time when we are being told that we do not have people being adequately prepared to be the teachers in our colleges and universities, and, indeed, our high schools and grade schools, that graduate programs in institutions across the country be beefed up—that, indeed, is an initiative coming from Congress, and not coming from your party or mine, but from the other party. I know that I speak for both of us, John. You and I have been very partisan in various aspects of legislating, but would you agree with me that, unlike the other kinds of issues that the Education and Labor Committee has dealt with over the years that, when it comes to defining and outlining, and, in fact, legislatively reimplementing Federal policy with respect to higher education, for almost all of the last 20 years, every significant effort that has succeeded has been a bipartisan effort?

Mr. BRADEMAS. Absolutely right, Mr. Chairman. And I hope we can move that point of view from Capitol Hill, where it again reigns, toward the other end of Pennsylvania Avenue.

Mr. FORD. Well, I am very much encouraged by hearing from the Secretary this morning that we are going to have somebody to talk to.

Mr. BRADEMAS. I agree with you.

Mr. FORD. I want to tell you, for the record, that I very much respect the obvious grasp you have of the problems we have been trying to grapple with. I wish they had allowed you to articulate these thoughts to us earlier on because it would have relieved some of the pressure on my ulcer to know that there was somebody over there that knew what was going on.

And I say that with no disrespect to any one over there, including the Secretary, but it has been a long time since we have heard the kind of positive declarations that we have heard from you this morning, and we cannot be anything but very very grateful. And I hope I don't get you in any trouble by saying that. [Laughter.]

Ron, would you like to make any further comment in response to John?

Dr. KIMBERLING. Yes. Thank you and thank you for your kind words, Mr. Chairman.

It is difficult to load up the plate with as many items as president Brademas has done in a short period of time, so I'll try to talk fast to this educated audience.

No. 1, money. The United States, the last estimates I saw, spends about 6.9 percent of its gross national product on education at all levels. That compares with about 5.5 percent of the GNP investment that Japan makes; we are ahead of the Soviet Union; we are ahead of Great Britain, France, many of the other industrialized nations of the world in terms of the percent of GNP that we spend on education and I for one would applaud our commitment to education in terms of that figure.

Sometimes we all too often, however, look at money only from the Federal perspective, and one figure that stands in my mind is that, if you look back to 1981-82, education at all levels was being funded at $195 billion in this country. For the current academic year, that figure is $260 billion or greater than a 30-percent increase in 4 years.

Largely, I think we can look to the increases in State support which I would argue have in part helped to fill the plate but also the fact that we have a lower inflation rate which was just absolutely devastating education in the late 1970's. The increase of 30 percent in total education expenditures over the last 4 years at all levels is ahead of the inflation rate for those past 4 years. So I think that we are in a climate where education is making some progress.

In terms of what we can continue to do at the Federal level to look at some of the cost factors, I would just like to restate a phrase from my old boss, Ted Bell, who once described the GSL program as a snake that was swallowing its own tail. The costs in the GSL program are not necessarily directly related to the volume of loans that are put out there for students, and I think the work that you and your colleagues have done in the reconciliation package, taking a look at areas where over a period of 3 years some $800 million in cost savings can be achieved without jeopardizing access to loans and total loan volume is the kind of thinking that we are all going to have to be doing over the next couple of years with the deficit problem that we have got.

And those kinds of savings can be put to good use, either for other educational programs or to do its share with the deficit problem. But certainly when we are speaking of the total Federal appropriations for education, when one considers that with a current budget of more than $18 billion, and in the Department of Education, for fiscal year 1985, $3.8 billion alone was spent on the GSL program, I think anything we can do creatively without damaging the basic structure of the program to provide access to loans, but that nevertheless would allow us to achieve some reductions in the subsidy costs is a healthy thing to be doing.

In terms of the public private colleges' concern. I would simply say that my phrase "some form" was not intended to draw a distinction between public and private colleges, but more to speak to the issue of the proprietary occupational and vocational sector of education that really came into play with the 1972 amendments, and some form in my mind relates to students' own choices about whether they wish to seek a more traditional form of education, higher education, but whether they wish to seek postsecondary occupational and vocational training opportunities.

I do not, personally, however, think that the original purpose of the act, nor the current purpose of the act would have been to provide for the entire cost of education at public or private colleges, regardless of what their own pricing structures may be. I believe that the purpose of the act is to provide a part of the cost of instruction and to have the aid targeted to the most needy students, particularly gift aid.

I have heard one of my friends in the higher education community argue that student loan and student grant and work study appropriations ought to meet the full costs of instruction at private colleges, and I have studied and taught at both public and private colleges, as well as the 2-year sector. And I would simply say that that is kind of like an M.D. saying that Medicare appropriations ought to rise to meet whatever the doctor wants to charge.

So I think there is a genuine dynamic tension and a synergistic relationship between cost-containment and appropriations levels that we should not appropriate up to whatever the costs are unless responsible higher education leaders can show us that those costs are justified and that they are leading to something.

With respect to some of the other issues that Dr. Brademas raised, I think we need to look a little bit more broadly at the administration's role in international education. We have supported the language programs that are financed under the Education for

Economic Security Act of 1984; our National Advisory Report put out a study entitled "Critical Needs in Foreign Languages" in February of 1983, with 14 specific policy recommendations.

We would agree very much with the sentiment of what Dr. Brademas was expressing about the need for individuals in the United States with better foreign language skills, with a greater understanding of the world community. When one looks at the higher education community's involvement in that, I think one has to look now some 27 years after the passage of the National Defense Education Act, at a set of fairly mature programs in foreign language and area studies.

And many of the leaders on college campuses and in our centers and the language departments are concerned about attracting younger people into foreign language and area studies. I think there is a critical need, and it was identified in our own advisory board's report in 1983, for an emphasis upon teaching and learning in the secondary school environment.

My own academic background in rhetoric, linguistics, and literature leads me to think that language learning occurs better for an individual if the individual studies a foreign language earlier in life. There is a greater natural aptitude for foreign language learning. So I think that, as we have traditionally supported the role of higher education in foreign languages, that we ought to look—and we have looked through the Education for Economic Security Act and other vehicles, at the situation at secondary level.

And I would argue that these kinds of reports, as well as the fact that the fiscal year 1986 budget submitted for the Fulbright Programs in the USIA by the President, included a request for a 20-percent increase in funding, are more than mere rhetorical support for international education.

With respect to the research role in NIE, I probably don't have time to go into the details of what amounts to a bureaucratic reorganization. Checker Fynn, I think, like many of us, is concerned with the traditional bureaucratic blockage, if you will, between the research end and the statistics end of the Department.

I think certainly on a university campus, from the vantage point of a president, one often wrings one's hands seeing how faculties and disciplines that ought to be talking to each other, don't, tries to think of creative ways to bring them together. So under the Office of Educational Research and Improvement, we are looking for ways to improve the linkages within our agency between the research function and the statistics function.

And we are equally concerned with disseminating the results of research that has already been done, so that we don't have scholars merely talking to each other within the scholarly community, but that a number of the studies that have already been completed, particularly in effective elementary and secondary education, make their way into the hands of local school board members and parents and the classroom teachers.

Our emphasis, therefore, in the short-term research field will likely be upon the dissemination of what is already known about how to create an effective educational environment.

That pretty much I think exhausts my list, Mr. Chairman, and, again, I am very pleased to be a part of this celebration.

Mr. Ford. Thank you. You just used an expression in responding and I reacted the same as Dr. Brademas did to your suggestion, the use of the language that I guess affects us because of the earlier statements by the Secretary and the President; I don't know who started saying it first, but it got a lot of attention in the country.

Then, in explaining that you didn't think that really meant that there was a distinction between public and private, you said you didn't think that we had ever had a policy of paying the full cost of anyone going to a private institution.

I would agree with you.

But under what circumstances with the programs can a person obtain enough Federal financial assistance to pay the full cost of education in a public institution? At any institution?

Dr. Kimberling. Well, I think there probably are instances in extremely low-cost public institutions for commuting students where, in some cases, grants and Federal loans do support the student completely.

Mr. Ford. But that is if you assume that the costs of commuting don't reflect the actual cost of education for the student.

But there is no combination of programs that I can think of readily that you can put together so that there is no individual or family responsibility to pay a part of the cost of the education, as it's computed. We can only compute according to the assumptions that are made about what those costs might be.

The difficulty I think that comes is that the Secretary talked one time about 13,000 young people from families having incomes of $100,000 or more who were having their way paid through college. That left the impression on the American people that people they considered to be rather well off, were getting a free ride of some kind.

Now, laying aside the fact that we haven't been able to find very much of any kind of help going to people from those families, the most concern has been raised over the the fact that people speaking for the administration thought that these Federal programs paid for somebody's way, it has caused problems for me in this way, that people say we're hard-working people and the best we can get is 50 percent of what it is going to cost to keep our son or daughter at Michigan State this year.

How do these people get the whole thing paid for? And I have to say, I don't know of anyone who gets the whole thing paid for. And I think it would be helpful if you could convey that to the Secretary, the fact that if he makes the distinction you make in the way that you made it, it will be very helpful in having people understand. There are a lot of Americans who, as a result of just these comments during this year, have the impression that we are not quite leveling with them about the aid available to their children, because they want to know what kind of a peculiar lifestyle they have to have to get the full free ride that people are talking about.

I'm sorry to say that the President has repeated this so frequently that I think he really believes, not being too familiar with the programs, that indeed, we sort of pick up some people and pay their whole way, and they might as well go to school as be doing something that takes a little bit more effort because it's easier and it doesn't cost anything.

And I have difficulty finding students who can really get through school with Federal aid without a tremendous amount of effort in varying degrees, of course, depending on the ability of the family to help them.

But it does require both family and individual participation and effort at the present time. When the budget came up, you'll recall the people who prepared the budget suggested that Pell grant recipients should come forward with I think it was $800 of their own money, without realizing that the Pell grant formula already assesses a family contribution expectation against that student and their family, and so it became a form of double taxation. I think the Secretary was a little taken aback that members of neither party on the committee were at all sympathetic with that idea because to him, it seemed at that time, and I hope he doesn't still feel that way, that $800 wasn't a big effort from the student.

But that's $800 on top of the effort that we've already taken into account and that kind of misunderstanding earlier this year has contributed to some confusion on the part of people trying to evaluate the authorization process.

I would invite you to work further with us so that we can clear up those items of confusion.

Had we had the kind of testimony we had from you today, earlier in this process, you have no idea how much better Mr. Coleman and I would have been sleeping in the last few months. You have made the most positive and articulate statements that I have heard emanating from anyone since Ted Bell left town.

And Ted generally had to tell us that quietly. [Laughter.]

But I had despaired that this was going to be forthcoming, and I'm going to spend as much time as I can, when I get back, making sure that my Republican members understand that you are thinking like they are. You sound like the Republican members of my committee, very frankly, virtually all of them, not all of them, but virtually the majority clearly.

And I am personally very pleased—I can't emphasize too much, how pleased I am to have you representing the administration with your comments here today.

Did you have anything else you wanted to say, John?

Mr. **Brademas**. No, I only want to say, I want to associate myself, Mr. Chairman, with your remarks to Mr. Kimberling, and say I'm heartened also by what he's had to say.

Dr. **Kimberling**. Well, Mr. Chairman and President Brademas, my statement was cleared. [Laughter and applause.]

Mr. **Ford**. I would like—there are a number of students here today—and I would like to clear up one or two little items. First of all, you might be wondering why I'm lucky enough to have these two very attractive women sitting here with me.

I would observe, John, that when the first act was passed, there was a female chairman, but no female professional staff members on the committee. Now, 20 years later, we have a male chairman and the females are writing the legislation.

On my right is the minority staff professional here today representing the Republicans, Rose DiNapoli, and on my left, Kristin Gilbert, who represents the majority. As you could see, they were telling me what was going on all during the hearing, and that's the way it works. People who have spent time in Washington know that we make the speeches and they write the legislation.

So if you really want something very badly in the act, my suggestion is that you find one of them before we leave. But I would like to observe, also, John, that I see a former majority staff director of this committee back in the back of the room, and I see the minority staff director from the last reauthorization, Bill Clohan. For the benefit of the students, they were poor but honest students not too long before that.

They are now both very wealthy Washington lawyers. [Applause.]

Mr. FORD. So you see, there is some benefit in pursuing education even beyond school.

With that, we'll recess until—oh, pardon me.

I would like to call up Mr. Tom Swan, president of the U.S. Student Association, representing almost every university in the Nation. and Mr. Rob Patterson, president of Associated Student Government at Southwest Texas.

Are they still here? I'm sorry. I almost let that one get away from me.

[The prepared statements of Rob Patterson and Tom Swan follow:]

PREPARED STATEMENT OF ROB PATTERSON

Congressman Ford, on behalf of the student body of Southwest Texas State, I would like to welcome you and all of our honored guests here today. We are very proud to be conducting this 20th anniversary even on our campus. Standing with me is Tom Swan, President of the United States Student Association. Together we have prepared a resolution that we would like to present to you.

PREPARED STATEMENT OF TOM SWAN

Before we present this resolution on behalf of students across the country, Cecilia Ham, Vice President of the United States Student Association, and I would like to thank Southwest Texas President Hardesty, and the Southwest Texas Associated Student Government and its President, Rob Patterson, for helping make this event possible. We would especially like to thank Congressman William Ford and everyone on his committee, and all the members of the Senate Subcommittee on Postsecondary Education for their efforts over the past five years in maintaining the federal aid program for postsecondary education around the country. This resolution was passed by both United States Student Association Committee and the students here at SWT. We are giving it to you Congressman Ford, as a symbol of our thanks for your efforts over the past years on behalf of higher education. Thank you, Mr. Ford.

AFTERNOON SESSION

Mr. FORD. I would like to recognize the Honorable Wilbur Cohen, the former Secretary of Health, Education and Welfare, who served under President Johnson, and who will introduce the other members of his panel.

Mr. Secretary.

Mr. COHEN. Mr. Chairman, as I said last evening, this is both a memorable and historic occasion.

I have considered it a singularly great honor to in some small way have participated in the formulation of the education legislation of the Johnson administration, and that this particular series of discusssions here at this great University makes it possible for those of you who are listening to get some idea about the development of this legislation and its importance.

We have eight participants who will contribute to this discussion. We are going to try to limit the initial discussion to about 5 minutes, each. And then have questions and comments.

And, Mr. Chairman, if the time permits, I would suggest for your consideration, on the part of our panel, to have possibly any questions or comments from the audience, if that was feasible.

Mr. FORD. Let's see how we do with the presentations first.

STATEMENT OF HON. WILBUR J. COHEN, FORMER SECRETARY OF HEALTH, EDUCATION AND WELFARE

Mr. COHEN. I would like to begin by introducing a little additional note about the origins of the Higher Education Act. Since the chairman gave some discussion about the incremental development of 1965, I would like to trace, for just a few moments, the origins of the 1965 act, that have not yet been disclosed here.

I came into the Kennedy-Johnson administration on January 20, 1961, after having been chairman of President Kennedy's task force on health and Social Security. There was a separate task force on education. Within my province, however, fell the discussion on medical education and work with the medical schools, and health professions.

When the President appointed me Assistant Secretary for Legislation at HEW, it was my responsibility to bring together all the people to work out the strategy as well as the terms and conditions of the legislation in that department.

Immediately upon the failure of the first elementary and secondary education bill, the President called me in and reprimanded me on the grounds that I had been unsuccessful in getting even one more Republican to help pass the bill in the Rules Committee. In my naive way, I said, well, Mr. President, if I didn't get a Republican, you certainly didn't get a Catholic to help us, and he agreed and said, what are we going to do.

And I said, well, let's redraft the bill and try again. We did, with the help of Adam Clayton Powell who was the chairman of the committee in the House, and that failed. President called me in again, and reprimanded me. Said, what are we going to do, and I said, Mr. President, I've come to the conclusion, we can't get elementary and secondary legislation passed at this time.

We don't have the support of the southerners because of the issue on affirmative action and civil rights; we don't have the support of the Republicans who are advocating States rights and no expenditure, and we don't have the support of the Catholics because of their fear about not getting money for parochial schools, and we just don't have it.

And he said, what do you suggest we do? So I said, I think we should shift to higher education where these issues do not have the same impact, and I said, I base that on my experience with the Hill Burton hospital construction bill where Congress has always voted money for the construction of Catholic and Jewish and sectarian hospitals without any opposition whatsoever because hospitals although sectarian run, do not preclude people from other religious sects from being in the hospital, so I said, let's go and build some higher education facilities and in the medical field, we can get it passed.

He said, that's a great idea, Wilbur, you go ahead. So, Mr. Chairman, I used the first opportunity to advocate this and I went before a committee and I advocated the idea that I would use the matter of physicians and nurses as my argument. And a member of the opposite party that I represented asked me questions about how I could justify spending all this money trying to train physicians and lawyers and all these, it had been pointed out, high income people.

And I said, well Mr. Congressman, you don't realize that our administration is interested in excellence in giving every young person a chance at self-fulfillment and we want every A-plus student to be able to get into a medical school, and every A student to get into any school that he wants.

And the Congressman answered me, well, you seem to have a very strange idea about getting A students in by taxing people who make less money to produce people who make so much more money, and before I had a chance to rebut that, he said, I want to ask you a very fundamental question.

What are you going to do for us C-minus students who really run the country?

So I went back to see the President and told him that it would take a little bit longer than I thought to get this education bill through Congress.

Well, we persisted, and as you indicated, Mr. Chairman, we then went to the Higher Education Facility bill, the bricks and mortar bill, and we finally got that through just about the time President Kennedy was assassinated, and that made it possible for us, then, with the passage of the Civil Rights Act, to win over many of the people who had previously voted against it.

That's really the history of why 1965 is such a big education legislation, because, until we were able to turn things around to higher education, to medical education, get the Civil Rights Act through, it was impossible to get a majority in Congress to vote for this legislation. Otherwise, our hope had been for 1961.

So I really think that we have neglected to really tell the younger people out there how tough it was to get this legislation through in the sixties. It wasn't that easy. We had to forge a combination, which you've pointed out, which was bipartisan and which was nonpartisan, but we had to overcome three very powerful constituencies which had prevented any real substantial legislation other than the impact legislation of 1950, getting passed by Congress since the National Defense Education Act.

So with that brief introduction about what I consider the great historic legislation, I would like to call upon my colleagues, here, and I would like to then call upon first, Dr. MacKenzie from Grove City College as our first participant. We've reordered them somewhat in order to enable people who have to take planes and leave at an early time, and we are very delighted to have Dr. MacKenzie on the panel, and he will proceed first.

STATEMENT OF DR. CHARLES S. MacKENZIE, GROVE CITY COLLEGE

Dr. MacKenzie. Thank you. Mr. Cohen.

Mr. Chairman, I consider it a great privilege to be part of this celebration. It is indeed a celebration and I realize the depth of the impact that it has had upon our society. I, myself, grew up as a poor youngster near Boston, MA. I never thought I'd have the opportunity to go to college.

I've worked in the slums with young people, in the slums of Boston as well as in the slums of New York City, and I think I have some sensitivity to their needs. During the 1960's, I, along with many others, sweat blood in the Civil Rights movement, and I now head a college which, in spite of reports of the media to the contrary, has not discriminated and does not seek the right to discriminate.

I say that because I am thoroughly in support of some of the principles. Of all of the principles that undergird the Higher Education Act of 1965, particularly I'm delighted and I rejoice with you and celebrate with you, the first goal of that Higher Education Act of 1965, which was equality of access to postsecondary education.

I rejoice that this act has opened to higher education access to millions of disadvantaged youngsters. At the same time, I also submit that there are other considerations which we also ought to give our attention to while we are celebrating the great accomplishments of the Higher Education Act of 1965, giving access to many millions of disadvantaged young people.

At the same time, I would also like to suggest that another of the goals which are stated as one of the goals of this Higher Education Act was the quality of postsecondary education. That the government, the State, was to promote quality of postsecondary education, including the maintenance and extension of academic freedom, responsibility, and educational diversity.

One of the concerns that I hope the Congress will direct its attention to is the fact that Federal domination of postsecondary education has become massive and all pervasive. Educators were alarmed about the possibility of governmental intrusion into education in 1958. You'll recall that Congress wrote these words into the National Defense Education Act, that,"Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum program of instruction, administration or personnel of any educational institution or school system."

My concern is that although the Higher Education Act of 1965 was a great step forward in providing access to disadvantaged young people, that ever since 1965, there seems to have been a severe acceleration of Government presence, Government influence, Government power, upon America's campuses.

Indeed, if I heard Congressman Ford correctly last evening, he even suggests that circumstances are such that these controls may not only continue, but also may become stronger. My concern on the part of many of us in the private sector is how to retain our independence, how to retain the very academic freedom which was espoused in the opening statements of the Higher Education Act of 1965.

I'd also like to say that there are many concerns that go along as corollaries on the part of many of us in the private sector, and we would hope that the Congress, while reauthorizing this very important act, would also give attention to preserving the independence, the academic freedom of institutions, for example, like Grove City College, a school which has not discriminated, does not seek to discriminate, does not accept government funding, and yet, at the same time, has been compelled because of the Supreme Court decision of 1984, has been compelled to withdraw any relationship whatsoever, even any tenuous relationship with the Pell grant program and has had to try to find for needy students, private funds from private sources.

We are concerned, many of us in the private sector, about the increasing control that as you provide assistance to disadvantaged students, would be applied. We would hope that control might be kept to an absolute minimum.

We'd also be concerned about the quality, as you said in the Higher Education Act of 1965, quality as well as freedom and educational diversity were extolled, and I guess we are all concerned with the reports, for instance, the 1983 National Commission on Excellence in Education, which declared that the quality of American education had been declining for nearly 20 years. It said we have in effect been committing an act of unthinking unilateral educational disarmament, this in spite of the fact that great sums of money were being poured into the higher education.

Many of us would hope that we could address the question of increasing academic quality, stimulating, motivating the American educational scene.

In conclusion, Mr. Chairman, we at Grove City College, as a matter of deep conviction, feel that American education, which has been the envy of the world, that we must continue our efforts to provide access on the part of any qualified disadvantaged young persons, and at the same time, we must take steps to ensure that there will not be a decline in quality, perhaps caused by overregulation or over control of the American educational system. Thank you, Mr. Chairman.

[The statement of Dr. MacKenzie follows:]

PREPARED STATEMENT OF CHARLES S. MACKENZIE PH.D., PRESIDENT, GROVE CITY COLLEGE

Mr. Chairman, I am President of Grove City College near Pittsburgh, Pennsylvania. The Higher Education Act of 1965 has done much to assist needy students in securing a college education. I have great empathy with disadvantaged young people both because I grew up poor and because I spent several years working among slum dwellers. I have a particular concern for disadvantaged minorities since I sweat blood during the 1960's fighting against discrimination. The College I now head shares my abhorrence of discrimination and shows special concern for needy students by offering quality education at remarkably low cost. Grove City, for over 100 years, has been committed to quality education at low cost and to nondiscrimination. I consider it a high honor both to share my thoughts with you and to be in this distinguished company.

This is a celebration and an evaluation of the Higher Education Act of 1965. This historic legislation had the noblest of goals, but may I respectfully suggest that it has not fulfilled its goals. Section 101 of the Act states "that it is the responsibility of the federal government, consistent with the rights, duties and privileges of States and institutions of higher education to promote:

A. Equality of access to post secondary education.

B. Freedom of choice to students who wish to participate in post secondary education.

C. Quality of post secondary education including the maintenance and extension of academic freedom, responsibility and educational diversity;

D. Responsiveness of post secondary education to rapidly changing social and economic needs;

E. The efficient use of resources in post secondary education . . . through efficient planning and management . . ."

I submit to you that however noble these statements, and I wholeheartedly support each of them, that in the implementation of this legislation the federal government has harmed post secondary education and the whole nation.

First, federal domination of post secondary education has become massive and all pervasive. When educators were alarmed about the possibility of government intrusion into education in 1958, Congress wrote these words into the National Defense Education Act: "Nothing contained in this Act shall be construed to authorize any department, agency, officer or employee of the United States to exercise any direction, supervision or control over the curriculum, program of instruction, administration or personnel of any educational institution or school system." (Section 102) Yet the Higher Education Act of 1965 not only opened the door for massive funding of post secondary education but also for the exercise of government power and influence on most American campuses. Government controls have escalated over since 1965. For example, 1202 commissions in the 50 States were mandated by the Education Amendments of 1972. These 1202 commissions in an effort to coordinate resources sometimes have sought to exercise control even in academic matters. In response to title IX of the Education Amendments of 1972, Federal bureaucrats claimed and the U.S. Supreme Court concurred in the Grove City decision of 1984 that any post secondary institution which even indirectly benefits from a single federal dollar is to be treated as a recipient of federal financial assistance and is to be under government jurisdiction. We at Grove City College in an attempt to avoid being treated as a federal recipient have replaced Pell grants with private monies. We have refused all government funds and control. Yet we wonder if we ever can distance ourselves far enough from federal dollars to continue to be free of government jurisdiction. The aggressive efforts of the federal government to regulate higher education have made colleges and universities subservient to and often fearful of federal power. Federal legislation now threatens the freedom and independence of every school in the nation.

Secondly, government involvement with higher education has resulted in intense politicization of education. A host of college presidents today are forced to devote significant amounts of time lobbying for more federal dollars instead of devoting their energies to education. The strife which accompanies politicization has invaded academia producing alienation between public and private colleges as well as competition among private schools. Education has become a battleground because of government intrusion.

Thirdly, massive government funding also has induced massive wastefulness on American campuses. With money flowing freely in the 1960's and 70's, colleges became careless and inefficient. The costs of education soared and the government instead of demanding efficiency simply increased its funding of education.

Fourthly, massive government funding has made many colleges and universities dependent on government largesse. Paradoxical isn't it that at the same time that the government has been doling out huge amounts of taxpayers' money to education, it also has been adding enormous costs to those schools by requiring huge amounts of paperwork and reports.

Fifthly, a dependence on federal dollars has made many educators subservient, has stifled creativity and has tended to homogenize post secondary education. Many educators have become timid and fearful lest they incur the wrath of government agencies who might accuse them of failure to follow some federal public policy. So we see a homogenized network of subservient colleges and universities replacing the freedom responsibility and diversity which the Higher Education Act of 1965 said government ought to promote. Too often educators feel they no longer have responsibility for the destiny of their institutions. In this sense, the Act of 1965 has failed to deliver on its own goals.

Sixth, the massive funding begun in 1965 has undermined students' and parents' sense of responsibility. Thank God many Americans still accept responsibility for their childrens' education. But millions of American families have come to consider that the federal government is responsible for their sons' and daughters' post secondary schooling. If this trend continues, the sense of initiative and responsibility which has made America great will be eroded more and more until eventually people everywhere will rely on government rather than upon themselves. If that happens, we will be a nation without character and a people willing to let government handle all their affairs.

Finally, it also ought to be noted that the quality which the Act of 1965 said government ought to promote has been undermined by the federal funding and involvement begun in 1965. I believe it is not coincidental that SAT scores declined from 1965 to all-time lows in 1980. In 1983 the National Commission on Excellence in Education declared that the quality of American education had been declining for nearly twenty years. The Commission said in its report "A Nation at Risk" that "we have in effect been committing an act of unthinking, unilateral educational disarmament."

On the other hand, in the 1950's and 60's the signs were that educational quality was improving both for the disadvantaged and advantaged. For example, in 1957 the average black sixth grader was functioning at a level of one year behind the norm. In 1965 a black sixth grader was only a few months behind. Or again, in 1960 black test scores were 68% of white scores but in 1965 black scores were 79% of white scores. There is evidence that minority education was improving. But in 1980 after the federal government had poured billions of dollars into American education, white mean scores were 2.3 times black mean scores. Though I applaud the fact that this Act of 1965 made it possible for many more minority students to attend college in 1980, I submit that the Higher Education Act also opened the door for what has been a serious decline in the quality of education both for blacks and whites. In this regard, the Higher Education Act of 1965 has not achieved its goal of promoting quality.

We at Grove City College are wholly committed to policies of nondiscrimination. We support equal opportunity in access to postsecondary education for all qualified people regardless of race, creed, sex, class or ethnic origin. But we at Grove City College as a matter of deep conviction feel that government funding and regulation of higher education has caused American higher education which has been the envy of the world to decline in quality, to lose its freedom and independence and to lose its once splendid diversity by moving toward one massive, homogenous system directed by public policy makers in Washington.

It is my hope and prayer that our government will back off. Find ways to assist truly needy students without compromising the freedom of the schools they attend. Enforce civil rights laws to insure the elimination of discrimination from America's schools but do not wage a campaign of fear and intimidation against schools which do not deserve to be treated as guilty before they are proved guilty I appeal to you—get the federal government off our backs before America's schools are crushed more deeply into subservient mediocrity. President Lyndon Johnson, the patron of the Higher Education Act of 1965, once said that education ought to exalt reason above force. Government entanglement with higher education has resulted, however, in the introduction of debilitating financial force and political power into education. In the name of reason, I urge you to permit higher education to be free of government interference before it is irreparably made incapable of guiding the future of the Republic.

Mr. FORD. Mr. Cohen, I feel constrained, for the record, to respond to a couple of your other comments, but first, the quote that you have for the National Defense Education Act, has been used by this committee over and over, and as a matter of fact, it is still the law which is set forth in the General Education Provisions Act, which is permanent law, it's not subject to reauthorization as the various programs are.

And we have always strenuously used that in confrontation not with schools, but with bureaucrats in first the Department of HEW, and now the Department of Education.

With respect to my comment last night in response to a question that the reason that this act now has 620 pages in it, in part, is because we had to become more specific, I would quickly suggest that none of the overly specific language that's in there is directed at institutions and its students.

All of the specificities that we have written in there, with the exception of some provisions regarding requirements for determining grant eligibility before permitting rules and things of that kind, is aimed at problems we think have been created for institutions by regulation. And, indeed, almost all of the language that we have incorporated in the bill, has come from members of the committee, and it is aimed at circumscribing the exercise of discretion and what we have heard from educators to be overzealousness on the part of the executive branch of the Government.

And as I said last night, we would prefer to leave to the executive branch the making of regulations if we could do it the way we did for a number of years and have the authority to veto the regulation when we thought it went beyond the scope of the law. Since we are no longer, because of a court decision, able to do that, we must anticipate those areas where the Secretary, while it's not the Secretary who writes the regulations, he or she signs off on them, would exercise that discretion so that we are sure, or reasonably sure, that as we perceive the law now, there won't be a regulation that imposes new conditions or different conditions on our institutions.

So I want you to clearly understand that I'm not aware, just off the top of my head, of any provision that we have put into the legislation up to this point, that is aimed at circumscribing the action of people in institutions, other than the executive branch of the Federal Government. So we are in concurrence with the main thrust, as I understand it, of what you are trying to do.

I'm afraid I can't answer you about what became the subject matter of the *Grove City* Court decision because, basically, you are talking about the Civil Rights Act, and while specific provisions were enacted by this committee, title IX of that act, control of those matters was determined in 1964, with the passage of the Civil Rights Act.

And the quarrel that has developed amongst people is on the interpretation of the requirements of that Civil Rights Act, which now seems to have changed. Congress, as you know, is struggling with legislation to try to unscramble the uncertainty that has been a result of those decisions and I can't predict how that's going to be done because it is no longer possible to legislate rather simply on that matter. We found ourselves enmeshed in abortion issues; we found ourselves enmeshed in church affiliation questions that had never been raised in prior attempts to legislate.

And so unfortunately, the legislation by reason of the very strong concerns of some groups over the possibility that you might have the liberty to do something on campus has, unfortunately, gone beyond what is acceptable to those of us who indeed would like to impose the Civil Rights Act in the way it had been imposed in the past. Unfortunately, the price we now have to pay for that would be to impose further restrictions that some of us find objectionable.

So our difficulty there is that that legislation is not moving primarily because of the reluctance of members of this committee and the Judiciary Committee to accept those additional restrictions on the activities of institutions in the case in one instance of the possibility of health insurance for employees that incidentally carried with it payment for medical treatment for abortion.

And in the other case, the question of exemption for schools that historically have been exempt if they were "affiliated," and now would be exempt if they were "associated" with any religious group. But we don't know what that means. We don't know how many schools that covers and exactly what those terms mean. They've never been interpreted.

But we are wrestling with the last problem that you mentioned, but the first two, I think we have resolved in ways that you will be pleased with.

Mr. Cohen. Mr. Chairman, you have two former secretaries of HEW on this distinguished panel, and I'll only speak for myself when I say why I support your being more specific in the new legislation, and that is because, if you are a secretary of HEW, at least in my case, I sat around a long time trying to figure out what the intent of Congress was on a number of occasions, and then I found that there was in the legislative history, contradictory statements by the House and the Senate on the same piece of legislation, I would have preferred for Congress to have decided that issue by legislation, rather than making me decide what the legislative history was.

So, especially on the basis of what has happened in the last few years, we have more riders on the appropriation bill reconciliation legislation, and the interference of OMB. I have come to the conclusion, which I was not of the position let's say 30 years ago, that it is much better for Congress to decide in the legislation what it means, than to have somebody else decide that question.

So I come down in general for longer bills today in order to be more specific.

But since we have another distinguished former Secretary or, I would say this, one of the two most distinguished Secretaries of HEW that there have been, and I'm very glad to be able to introduce my colleague, Secretary Califano.

I might say, which I didn't before, that I'm not taking a long time to introduce everyone because the biographical introductions are contained in the pamphlet giving the background of each one so if you want to refer to that, you can.

However, I do want to say, Joe, while you weren't here, there was a considerable discussion why in higher education we should train so many physicians and lawyers who make so much money, and at some appropriate time, several people in the audience have said that I should bring that question up, so I advise you now of that potential question arising. Secretary Califano.

Mr. Califano. Thank you, Secretary Cohen.

STATEMENT OF HON. JOSEPH A. CALIFANO, FORMER SECRETARY OF HEALTH, EDUCATION, AND WELFARE

Mr. Califano. I would note, before making some general comments, that 8 years later, when I became Secretary, there was no concern about what Congress intended. The education laws had grown by a few hundred pages, I think largely because of the lack of trust between Congress and the Nixon administration over the years.

So I think the point that the chairman made was well taken. I don't think any of it was really directed at schools. It was directed at telling the Secretary or the Department what to do.

One other preliminary remark, Mr. Chairman, you may not remember, I'm sorry I was late, but the last time I testified or was supposed to testify before your committee was July 19, 1979, and on the way to the hearing, I was fired. So when I landed here in San Marcos, I thought I should check with my office and make sure everything was OK.

I would appreciate it, Mr. Chairman, if I could submit a statement for the record, and not read it?

Mr. FORD. Without objection, it will be entered in the record in full, and you can supplement it or comment on it in any way you want to.

Mr. CALIFANO. I would, I guess, like to make a general comment and then deal with some of the things that Dr. MacKenzie mentioned at the end of his testimony, since I have such fond memories of Grove City College from my days in office.

I think that the whole thrust and object of virtually all the education legislation, at its best, has been to provide funds to elementary and secondary schools, and funds to colleges. With all the directives in all 600 pages, by and large there has been remarkably little interference with curriculum or the academic world.

And I think that when you go back to the words of President Johnson, repeatedly, when he was signing and proposing and urging Congress to pass legislation, he was driving home the fact that the basic responsibility rested with parents, with local communities, with school districts, with universities, not with the Federal Government, but that the Federal Government should encourage and provide assistance.

Second, I guess I think there is room, if I were an educator, for some concern about Federal involvement in higher education, but not the concerns that Dr. MacKenzie mentioned. I really, I think that in a society that is pluralistic, and a society that holds as one of its precious values, equal opportunity and a fair chance for everybody, that it would be inexcusable that if with Federal funds, particularly funds that are designed to provide a fair chance for people that wouldn't otherwise have it, there were not a requirement that there be no discrimination. I think that any other situation is intolerable, and inappropriate for our society for the values we hold, and I would hope that somehow or other, that Congress can make clear its intent which I for one, at least, believe the Supreme Court misread in the *Grove City* decision.

What I guess surprised me, Dr. MacKenzie, when you talked about concern, my concern about higher education and the Federal Government would be that there are some universities that are distinctly dependent for tremendous proportions of their funds, upon the Federal Government. The developing colleges get 90 percent or more of their money from the Federal Government and can't live a day without it. They could not opt to do what you did, for example, at Grove City, and some of our finest universities, like MIT and Cal Tech, because they get so much research money from the Federal

Government, are dependent for more than 70 or 75 percent of their funds on the Federal Government.

Not, incidentally, under the laws that Chairman Ford is enacting, but under the laws relating to the Defense Department and the CIA and NASA and the Energy Department, and there, the Government is having an impact on curriculum, and there, if I were running a university, I would be concerned about that impact.

Finally, Mr. Chairman, I would—let me just close, we've got a lot of distinguished people here—I think if you want to have less than 620 or 720 or 800 pages of legislation telling the Department what to do, we have to have a much greater sense of civility and trust between the Executive and the Congress. I don't think it has anything to do with partisan politics, I think it has everything to do with a group of legislators feeling that, increasingly, unless they dot every "i" and cross every "t," there will not be on a continuing sustained basis, good-faith efforts to do what Congress told them to do.

Thank you, Mr. Chairman.

[Statement of Joseph A. Califano, Jr., follows:]

STATEMENT OF JOSEPH A. CALIFANO, JR.*

Mr. Chairman and members of the committee, it is an honor to appear before you today to discuss the federal role in higher education and the impact of the Higher Education Act of 1965. Since your election to Congress 21 years ago, Mr. Chairman, you have been a champion of education, especially higher education, and your leadership has been in the best bipartisan spirit.

Mr. Chairman, I was flattered by your invitation, but I was also a little hesitant to accept. I couldn't help but think of the last time I was scheduled to testify before your subcommittee. It was July 19, 1979, and you were considering what became the 1980 amendments to the Higher Education Act. I was to present the Administration's recommendations that day, but a funny thing happened on the way to the hearing—the President fired me. So, before leaving for Texas this morning, I checked to make sure my name was still on my office door.

Southwest Texas State University is the ideal place for today's deliberations, not ony because President Lyndon Johnson signed the Higher Education Act here twenty years ago, but because it was here, three decades before, that a spark was ignited in Johnson that would inspire his quest for educational opportunity for all Americans. When he was still a sophomore at what was then Southwest Texas State Teachers College, he was hired to teach at a school for Mexican children in Cotulla, Texas. Johnson said of this experience:

". . . I remember even yet the pain of realizing and knowing then that college was closed to practically every one of those children because they were too poor. And I think it was then that I made up my mind that this Nation could never rest while the door of knowledge remained closed to any American."

A few years later in 1935, the twenty-six year-old Johnson was appointed Texas state director of the National Youth Administration. Under his leadership, 75,000 to 100,000 students at the state's 87 college campuses, including four Black colleges, were paid to help build badly-needed facilities on their campuses, state parks, and libraries. It was the debut of what would become the Higher Education Act's College Work Study program.

Johnson's vision of education opportunity was all-inclusive: passage and enforcement of civil rights laws and court decisions that mandated equal access; the Head Start program to give pre-schoolers a leg up; Title I of the Elementary and Secondary Education Act to help disadvantaged kids keep up; Job Corps for those who dropped out of high school or were not college-bound; student aid to break down the financial barriers to college education; and the Teacher Corps to channel teachers to the schools that needed them most.

---

* Mr. Califano was President Johnson's Special Assistant for Domestic Affairs from 1965 to 1969, and Secretary of Health, Education, and Welfare from 1977 to 1979. He is presently senior partner in the Washington office of Dewey, Ballantine, Bushby, Palmer & Wood.

Working in a true partnership with, in his words, "the great, fabulous 89th Congress", Johnson catapulted the Federal government from the role of supernumerary to that of a major player in the nation's educational system. Between 1964 and 1967, the Federal investment in education tripled from less than $3 billion to more than $8 billion. Today, Federal spending approaches $40 billion.

Have these programs worked? When Lyndon Johnson inaugurated the Great Society at the University of Michigan in 1964, he noted that 8 million adult Americans had not finished 5 years of school; 20 million hadn't finished 8 years and 54 million hadn't completed high school. Today, only 3 million haven't finished 5 years, 8 million haven't completed 8 years, and 28 million haven't finished high school.

Of all the education programs enacted in the rush of Great Society legislaltion, none have been more successful than those created under the Higher Education Act of 1965. The most spectacular successes have been the student aid programs. College enrollment doubled between 1964 and 1973, from less than 5 million to more than 10 million, and has topped 12 million this fall. In the College Work-Study program, some 10 million student jobs have been created; about 7 million Education Opportunity grants have been made, plus another 20 million under the Pell Grant program which was added in 1972; and more than 27 million guaranteed loans have been made.

These programs have been critical to the improved status of minorities in this country. As recently as 1966, the number of black students attending college was only 282,000. By 1974, black enrollment had risen to 814,000 and by 1982 to more than one million. The proportion of black students majoring in business has climbed from 5 percent in 1966 to 18 percent. Between 1972 and 1983 the number of Hispanics enrolled doubled from 242,000 to more than half a million students.

Significant change also has taken place in the enrollment of minorities in professional schools, particularly in law and medical schools. Law schools as recently as 1969 had a black enrollment of 3 percent. By 1979 it had risen to 4.2 percent and total minority enrollment was 8.1 percent. Medical schools, many of which excluded black students until after World War II, had only a 2.7 percent black enrollment in 1968. By 1980 black enrollment had risen to 5.7 percent and minorities were 7.9 percent of the total medical school population. The magnitude of change is illustrated by the fact that 3,000 black students were enrolled in medical schools in 1974 at a time when there were only 6,000 black physicians in the nation.

These striking gains in higher and professional education are evidence that improvements in the economic and occupational status are the product of minority students' own efforts to acquire education and skills, aided by laws that attack discrimination barriers, and not a reflection of preferential treatment by government. Between 1961 and 1982, the proportion of black people in professional and technical jobs rose from 4.6 percent to 10 percent; the proportion in executive, managerial and administrative jobs increased from 2.5 percent to more than 5 percent.

For those blacks and Hispanics who have broken through in the past two decades to better education, more skilled jobs and higher pay, there have been the familiar rewards of middle-class status. They are far more likely than in the past to own their own homes, to be part of families that never suffer the tragedy of infant death and to live to become senior citizens.

The higher education programs have also been instrumental in the advances in the status of women. There was a time, not so long ago, that a family of moderate means had to choose which among its children would go to college. If it simply wasn't possible to send them all, the son was more likely to get what support the family could muster. As a result, in 1960 just over one-third of college students were female; today, more than half are female.

The higher education programs adopted in the 1965 Act have been supported by a host of other programs.

The Head Start program has given 9 million pre-school children a better chance to succeed in their studies.

Title I (now Chapter 1) of the Elementary and Secondary Education Act has helped disadvantaged children in some 30,000 schools catch up and keep up with their peers in reading and mathematics. This year, 4.7 million students are being helped. The program has provided more than $40 billion in assistance to school districts since 1965.

The Talent Search, Upward Bound and Special Services programs, which had their origins in the poverty program, encourage minority high school students to go to college and help them succeed once they enter college. They now help half a million young people each year.

For millions of other Americans not college-bound, the Job Corps, Manpower Development and Training Act, and the National Alliance for Businessmen provided new skills.

For the most part, these and other programs that created the Federal role in education have endured. Together, these programs changed, probably forever, the government's laissez-faire attitude toward the education of the poor and minorities. Even the present Administration, which has sought to slash spending for education programs, has supported Head Start. The cluster of programs that originated in the Great Society years placed the disadvantaged on the nation's education agenda and they have been there ever since.

The impact of the federal role in education goes far beyond the dollar spent. Programs like Head Start and Title I established the principle that assistance is more effective during the early childhood years. The higher education programs have established the principle that there should be no economic barrier to anyone who can benefit from higher education.

In general, the federal role has been most effective when it provides funds with as few strings as possible, providing maximum freedom to state and local school systems for the most part. The Elementary and Secondary Education Act tracks this principle, providing funds under formula to disadvantaged children who need compensatory education. The bulk of the funds provided under the Higher Education Act are also provided by formula and standard needs analyses with some discretion left to the college financial aid officer.

There are also matters of overriding national concern that affect the cohesion of our society—desegregation, bilingual education, and education for handicapped children, for example—that merit federal resources. The national government should even provide funds for experimental local and state programs (including those for teachers), research, and the dissemination of materials among school systems. But a troubling tendency develops in the education bureaucracies, in both the executive and the Congress, to set curriculum priorities from Washington. In the 1970s, pressed by special interest groups, the Congress provided more and more funds for relatively narrow specific subjects of education (metric education or enviromental studies) and objects of concern (the gifted or developmentally disabled child). Indulging these tendencies moves the federal government closer to involvement in what our children are taught. It is one thing to give school districts money to test new ways of teaching basic skills; providing money to teach a specific subject is an order of intrusive magnitude closer to interfering in school curriculum.

This is not a conservative-liberal issue. A Russian sputnik can cause conservatives to stampede to mandate more science education from Washington as effectively as some liberals rushed legislatively to champion black studies from the floor of Congress in the late 1960s. The issue is not whether the cause is worthy; granting that, the question persists about the appropriate role of the federal government.

In the case of bilingual education, the intended beneficiaries—non-English speaking children—became helpless victims of weak government management in the face of shortsighted ethnic politics. During the Johnson years, my interest in bilingual education was prompted by sociologist's James Coleman's 1966 study of education opportunity which showed that students of Mexican, Puerto Rican, and American-Indian background were completing high school at achievement levels far below the national norm. Language schools, meanwhile, were compiling persuasive evidence that children learn most readily in their native language. In 1968, the Congress enacted our recommendation to add a bilingual-education demonstration program to the 1965 Elementary and Secondary Education Act. The purpose of this program was to teach non-English-speaking children English as rapidly as possible, and to teach other courses in their native language until they could be taught in English. The hope was that this would help prevent bilingual students from failing while they learned English.

When I returned to government as Secretary of HEW in 1977, I found that the program had become a captive of bicultural politics and that too little attention was paid to teaching children English, and far too many children were kept in bilingual classes long after they acquired the necessary proficiency to be taught in English. In this case an important national education purpose had become subverted through the interaction of the bureaucracy and narrow interest groups.

As Lyndon Johnson put it in 1965, the federal government "can contribute to providing the necessary and needed tools. But the final decision, the last responsibility, the ultimate control, must, and will, always rest with local communities." The must in Johnson's quote was hortatory; the will was hope. But he was right. We should not confuse the responsiblity for education or further encourage interest groups to seek at the federal level what they cannot obtain at state and local levels. Responsibility for education of our children should be fixed firmly on their parents and teachers, and the federal government should not act to weaken, but rather to enhance that responsibility.

In higher education, the Federal government's direct control over colleges and universities has been limited to setting criteria for participation in federal programs or eligibility to receive federal contracts. As in the case of elementary and secondary education, the federal government has identified and supported specific areas of national interest and concern: the G.I. Bill that helped World War II veterans pursue higher education; the National Defense Education Act in 1958 that established loans and fellowships and foreign language institutes; and the Health Professions Educational Assistance Act of 1963 that provided loans to students of medicine, dentistry and osteopathy.

In addition to these targeted federal priorities, the federal government has, since the enactment of the first Morrill Act in 1862, sought to maintain and strengthen the capacity and quality of America's institutions. The Higher Education Facilities Act of 1963 provided loans and grants for college classrooms, laboratories and libraries.

Since 1965, however, the primary federal role and the primary expenditure of federal funds has been to increase access to higher education for qualified students in financial need and to provide them with the opportunity to choose among public and private institutions. This has been accomplished through the various student financial aid programs which track students rather than directly supporting institutions or particular curricula.

Despite the arm's length approach in the student aid programs, there is no dobut that the federal government, by virtue of its $20 billion per yer investment, is a powerful force in higher education. Federal spending not only includes $8 billion per year in assistance to students and institutions, but more than $10 billion in grants and contracts from the Defense Department, Agriculture Department, Energy Department, NASA and others. Research and development spending alone approaches $7 billion each year.

Many colleges and universities, notably those with high enrollments of needy students, receive up to 90 percent of their revenues from the federal government in the form of student aid. Others, like the Massachusetts and California Institutes of Technology receive more than a quarter of a billion dollars a year in revenues from the federal government.

Under these circumstances, it is unrealistic to believe that the national government does not become involved decisively, if indirectly, in some curriculum decisions in major universities. The competition for federal research funds is intense. An integral part of winning that competition is to have on the faculty the scientific and intellectual talent to fill the government's research needs; having such talent dictates many courses offered at major universities. Our national defense, energy, and other high technology efforts must have access to the best and brightest minds. But we must remain alert to ensure that federal priorities do not unduly distort the claims of academic and intellectual freedom.

America has made great progress since 1965, but we still have much to do. Hispanics and blacks continue to be underrepresented in almost every higher education program in all types of institutions. Retention and graduation rates also lag behind those of whites. Inadequate preparation and economic hardships are behind many of these statistics.

Your efforts to strengthen the Higher Education Act, Mr. Chairman, and those of your colleagues, are essential to the future of our young Americans and to the country as a whole. You are building upon the work of many Congresses and of Democratic and Republican administrations alike. The alternative is to return to a time when the college a young man or woman entered—or indeed whether a young American went to college—was determined by the size of his or her parents' income, rather than by the brains and talent God had given.

Admittedly, I have come to this subject with a bias. For almost four years, I was privileged to serve as Lyndon Johnson's Special Assistant for Domestic Affairs. Later, as Secretary of HEW, I worked with you, Mr. Chairman, Mr. Brademas, and your colleagues in the House and Senate in the development and passage of the Middle Income Assistance Act. I watched Johnson sign 60 education bills into law as part of his Great Society. He believed, and taught me, that "poverty has many roots, but its tap root is ignorance." And many times I heard him say that if Southwest Texas State Teachers College had cost just ten dollars more a year, he couldn't have afforded to go there.

It was Lyndon Johnson's goal to open the door of opportunity to millions who didn't have a chance to get a college education. With the work of this committee and the Congress, that door which has stood open wide for twenty years, will continue to welcome generations of students.

Mr. **Ford**. Thank you, Secretary Califano.

I have just checked with the gentleman who has been legal counsel for the committee, there are at least two occasions where we knocked down your regulations after your people had written them, and there was a bipartisan and unanimous consensus that we didn't like the way the regulations were, and at that time, we still had the power to veto, and in both instances, you were gracious enough, when confronted with the possibility that that would be done, to simply withdraw them and go back to the right way.

In those days, we were able to do that. We could say, look, if you persist in this regulation, we will have Congress attempt to overrule, and the Secretary said, quite wisely, well, I don't want that kind of a compromise and let's see if we can't do it a different way and in both instances, after that the regulations were rewritten in a better way.

We can't do that in the Congress any longer.

Mr. **Cohen**. I might add, though, Mr. Chairman, that I once counted the number of things in the Appropriations Committee report that told the Secretary how to run HEW; there were 86 provisions in the 1968 Appropriation Act which specifically told the Secretary to spend the money this way or that way. So there are other ways of doing this, but it is true that the Secretary has to balance congressional intent, impression, and instructions, with many times different points of view, and I once even looked at the Senate committee report, which told me to do something different than the House committee report did.

So there are lots of—I understand your problem, but very few people take time to delineate what the problems of a Secretary are in trying to figure out what Congress means.

Joe, you want to make just a comment?

Mr. **Califano**. If you wanted to know what happened in those 8 years, in the first full year I was Secretary, there were more than 500 instructions in the House and Senate reports, of which about 40 were contradictory in the appropriations bills.

Mr. **Cohen**. I didn't have that many but maybe I helped develop more for you than for me.

We are very fortunate, now, as our next witness to have Mr. Atwell testify. The American Council on Education has always been a very great supporter of educational legislation and I'll just say, during my period of time and in connection with the Higher Education Act that I had anything to do with, the American Council of Education was a method of getting the participatory role of American education in the initial framing in the executive branch of the legislation. So we are glad to hear from you, Mr. Atwell.

STATEMENT OF DR. ROBERT ATWELL, AMERICAN COUNCIL ON EDUCATION

Mr. **Atwell**. Mr. Chairman and Professor Cohen, there are not too many titles that are more elevated than Secretary, but perhaps, professor in my industry is one of those.

Mr. CALIFANO. You know, Dr. Atwell, let me explain it, the big difference is that Secretaries don't have tenure. [Laughter.]

Mr. ATWELL. You noticed that, did you?

It occurs to me, Mr. Chairman, that the timing of this whole celebration and the timing of your hearing is excellent. You couldn't ask for a more opportune moment to have a hearing of this kind. Your own committee will next week, the full committee, will begin to deal with the subcommittee's version of the reauthorization of the Higher Education Act.

And I think that's just excellent. You may not know this, but I am pleased to report to you that you will receive, if you have not already, back in Washington, a letter of support for the subcommittee's version of this legislation, as it is being put before the full committee. That letter of support comes on behalf of six of the major higher education Presidentially based associations.

Now, that may not sound like very much, may not mean very much to the audience, but let me tell you, when we finally agree on something, it only comes after a long struggle. It took us, indeed, I think too long to do this, but we are all behind this subcommittee and its legislation.

I think that part of the reason for that is the excellent drafting that you've done, and I think part of the reason is that we are rallying around a Federal role in higher education at a time when that Federal role is being challenged. We have a challenge, indeed, to the entire 20-year history of the Federal commitment in higher education, a commitment that goes back even before, as was noted, back before the Higher Education Act of 1965, but we have an administration which is certainly attempting to dismantle the commitments of the past 20 years, and they really do so I think, for two reasons.

One, because they really believe that the Federal Government does not have a very important role and has a very limited role in the area of higher education. I say that because I find some contradiction between Mr. Kimberling's testimony this morning, and the realities as we have experienced them in terms of the administration's own proposals in the past several years.

And I think also we are experiencing this withdrawal, obviously, because of the monstrous Federal deficit, a deficit brought on, I might add, in large measure by the excessive tax cut of 1981 and what some of us believe is a bloated defense budget.

And the administration, in turning to discretionary domestic programs to bear the brunt of its efforts to deal with this deficit, seems to view education as a welfare program. When in fact, as has been brought out here so eloquently by so many speakers including President Hardesy, education as we know is not an expenditure but an investment, and its very difficult in Federal budget terms to recognize what is certainly an essential difference in the business world.

Education is really an investment in our national defense; it is an investment in economic growth and a strong economy clearly depends on an educated citizenry. It depends on a trained and retrained work force who will, as was suggested, pay taxes, not eat taxes.

So, the Federal Government simply has to stay with a major commitment throughout higher education, and therefore, I think the reauthorization of the Higher Education Act in the way that your subcommittee proposes, will bear out the commitments that we have seen over the past 20 years.

I wanted to comment, also, on some things said this morning which I think is one of the things we were supposed to do. And to say that, I think, as I read the history of the past 20 years, the Federal Government's commitments in respect to student financial aid include both access and choice. And Secretary Kimberling spoke of access; he didn't say a great deal about choice, and choice simply means that, for me, at least, that a student has the opportunity to go to an institution best suited for the student and at no point in contradiction to what we heard this morning, at no point have I heard anyone seriously argue that student aid should pay for the entire cost of education. That simply has not been seriously proposed by anyone I'm aware of.

And I think there were comments made this morning that would suggest that there may be some Federal role in cost-containment. References to the high price of some institutions. I not only believe that cost containment certainly would be ironic for an administration which supports deregulation on all levels to discuss cost containment in the area of higher education, but also I'll just simply note that as long as student aid is declining in terms of the price that is being charged, and is such a small part of the way any student meets the cost of education, there is just no basis whatsoever for seriously considering anything of that sort.

Thank you very much, Mr. Chairman.

Mr. COHEN. Thank you

One of the unheralded aspects of the development of the Higher Education Act of 1965, and the succeeding reauthorizations, was the brilliance of the effort to work out arrangements that, while the Federal Government had a significant leverage role, or an incentive role in all of the legislation, that the States and elementary and secondary area, the localities as well as private as well as public institutions all had a role.

It is in my opinion probably the most creative federalism piece of legislation that was ever enacted because it had to—or the two pieces of legislation, had to bring together, not only the role of the Federal Government, the role of the States, the role of the localities, private colleges, and public institutions in what political scientists will call pluralism or devolution or decentralization, but really, put together in the 2 or 3 years that I was in any way responsible with Commissioner of Education Frances Keppel, and later with Mr. Califano, in bringing all these disparate but important forces in our American political and institutional life together in an organized way.

That wasn't quite true in 1961, 1962, 1963. There was tremendous fear that the Federal Government would supercede the role of States in the education area. And we had to work with a lot of different Governors and State agencies to do that.

So I'm particularly happy today to have on our panel a very remarkable representative of the State agencies, the Honorable Wilhelmina Delco, from the Texas House of Representatives, who I hope will bring out that particular part of the relationship which is very very many times overlooked in the historical development of this legislation.

Representative Delco.

STATEMENT OF HON. WILHELMINA DELCO, TEXAS HOUSE OF REPRESENTATIVES

Ms. DELCO. Thank you very much, Mr. Secretary and Mr. Chairman.

I would like to preface my remarks by saying that I have already submitted testimony to the Senate Education Committee and I'll be glad to see that you get those remarks, as well.

I was invited to testify before the Senate by Senator Stafford on behalf of the National Conference of State Legislatures. And we made three points in that presentation that were very important to the States.

One obviously was the importance of the continuing Federal role in student aid. The other was a concern that is already a matter of policy on record for the National Conference, and that is support for the historically black colleges. States feel that there's a very strong role for historically black colleges to play in higher education and strongly encourage the Federal Government to continue its part in that role.

The third aspect of that was a serious concern about the emphasis being placed in the name of research on science and mathematics and high technology, very often at the expense of what was considered the foundation of postsecondary education, and that's a broad based liberal arts education. That as we try to increase the pool of knowledge, and as we try to increase the economic thrust of our country through postsecondary education, it is also important to realize that we are also talking about a well-educated citizenry, and in that aspect, there is a value for the liberal arts.

Now, I'd like to comment on what Mr. Cohen suggested, and also on what happened this morning in the presentations made at that time.

First of all, I think it's very important to recognize that the primary responsibility for the provision of education in our country is a State responsibility. Constitutionally, it is a State responsibility, and overwhelmingly, the dollars that have been put into education have been State dollars. Now, that's not to say there are separate pockets of dollars because people, when they pay taxes, they pay taxes. They don't make the fine distinctions as to where those taxes particularly are going.

But I think it is also important to recognize that one of the reasons the Federal Government has played a substantial role in education is because the States have abdicated for a long period of time, that very important role in some aspects. One of those aspects was the recognition of the importance of research. Traditionally, institutions have gone out to private sources for research and the Federal Government made possible the opportunity for States to develop research projects in a number of areas with Federal dollars, independent of State appropriations.

Another very important area is the whole question of affirmative action. It is to say, in fact, that education does not belong to the few, it belongs to the many. And so the question of access becomes a very important one, and the States were lagging behind before the Federal Government through the Morrill Act in saying that you don't provide education just for academics; you provide broad-based economy-based education, if you will, through agricultural mechanical colleges, land grant colleges, if you will, that kind of education.

The Federal Government also set the tone in education when it talked about the GI bill, saying the people who left to serve their country had a right to come back to more than what they left, and so since a lot of States could not absorb the GI's coming back in regular work force, higher education represented an opportunity for people, if you will, to expand their horizons, and the Federal Government played a very important role in that.

In the Higher Education Act that we are talking about today, it said that higher education should not be a function of whether or not you had enough money to go to school. If you had the ability and could benefit from that process, there ought to be available to you, the opportunity, not just from a personal standpoint, or even a State standpoint, but for the benefit of our own country. I would suspect at this point, as we look at the reauthorization of the Higher Education Act, our country is on the threshold of a new economic era.

And the cornerstone of that era has to be as much education based as anything else. That even as we in Texas talk about changing our economic thrust because the resources that we have relied on for so long, oil and gas, are depleting we are looking further and further afield for ways to support our citizens and our needs in Texas. And one of the ways to do that is the so-called education information high technology society.

All of that economic thrust is firmly education-based. And so it is in the best interests of our State to explore the opportunities to maximize the education of all our citizens. Beyond that, if we look at demographics in Texas and across the Southwest particularly, but surely in the rest of our country, we are seeing that the new growth in our State is increasingly minority, and if we look at the minority development and intent to educate to the maximum ability, all of our people, we are saying that not only are we benefiting the individuals who happen to be minority or female, we are benefiting our State. Because in the final analysis, those of us who must depend upon the productive wage earners in the future for our Social Security benefits and our health care benefits, it is in our best interest for that to be an educated people who are able to earn the kinds of salaries that will support the kind of welfare programs that we have been accustomed to in our working lives.

It is very important to keep the emphasis in all of this on students, as President Hardesty suggested. One of the concerns that the State has is the fact that the students are a part of a State system of education. Cooperation in Texas between public institutions and private institutions has been good, but I think that as the emphasis in the Federal Government has gradually shifted from grants programs to loan programs, we are in fact, as was suggested earlier today, overburdening students.

When we in Texas had legislation last summer to talk in terms of reform of K-12 education; one of the key points in that legislation was enhancing the pool of quality teachers. If we say to young people as they go into higher education that they must assume a greater percentage of the cost, personally, of their own education, we do impact their career choices personally but even more so, we impact the quality of students who are able to afford to go into the lower paying service kinds of jobs, one of which surely must be teaching.

And I think that it's very important to keep that balance between what we call the student responsibility for their own education and the benefit to the State of good education by good grant programs. In Texas when we were forced, the last sesssion, to pass a tuition increase bill for the first time since 1957, a very strong part of that increase was a substantial commitment to grants programs for students, and I would strongly urge you, Mr. Chairman, in consideration of this legislation, to recognize there's a point where, even though on the books it looks cost-effective, it is not in the long run when students have to make a decision as to whether or not they can buy books or food.

And whether or not they can afford a $25,000 debt in the name of getting two initials behind their name when those initials might be more costly in terms of making job choices than if they went out and got a job doing something else. I think its very important, also, to mention one other thing.

This morning when we talked about international education and the impact of that, most of the focus of the discussion was on training American students: American students in foreign languages; American students to understand cultures in countries abroad, because that was clearly obviously in the best interests of our country.

I would like to point out the importance, particularly to those of us in Texas, of having students from other countries have the benefit of education in the United States. Some of the best brains particularly we may have abroad, are the people who had the benefit of good education in the United States.

I don't believe that we can educate too many Mexican students; I don't believe that we can educate too many of the poor developing countries' students because those students being educated in the United States return to their countries, very often not only knowledgeable of our society, but friends of our Government.

So I would say that international education has to be a two-way street, where we not only educate our students in other countries' cultures, but we give other students the opportunity to learn and become friends and supporters of our country and our culture. It's very important in closing to recognize that although the Federal dollars are not that significant, the Federal tone is very important and so I would strongly urge a strong emphasis in any legislation on the Federal level, to set as its priorities, a commitment to continued access, a commitment to continued choice options, a commitment to broad-based research, and a commitment to quality in terms of saying that we have a multiple kind of system of higher education and students should have the opportunity to go where they can maximize their individual potential and that the partnership between the Federal Government and the State in higher education should be strengthened, not weakened.

It should not be either/or in any sense of the word, but both.

Thank you very much.

Mr. FORD. Let me say that that was a wonderful exposition, an awful lot in a short time. I think I should tell you that you are more in tune with the people we've been hearing from in this hearing than you can possibly imagine. You have summarized very well the central points of almost all we've heard from one end of this country to the other, in areas that are considered conservative, in areas that are considered not so conservative, in industrial areas, in the heartland of the farm country and the two coasts.

And there are a number of approaches that we are taking as a result of the advice we've had from people at the hearings, to try to shift that balance back a little bit, specifically with regard to the grants, without raising the costs of the authorizations in this bill. By following the present authorization to the mark, we have nevertheless shifted resources around. We are taking the Pell grants up to $2,300 from $2,100; we're taking the SEOG's up to $4,000 from $2,000; and we're taking the SSIG maximum grant from $2,000 to $3,000.

At the same time, we will require, for the first time, that before sending the student down to the local friendly bank to get the maximum loan, they will first determine whether they are eligible for grant money and how much, and then they will only approve the borrowing of that much of the need for education that is left.

It will become a way to suggest what we always had in mind. We always thought that the student borrowing was the choice of last resort. Indeed, it has become easier for the admissions officer to say to a student, "Rather than take 6 weeks for a cleared telegram to Kansas City——"

It's not in Kansas, where is it?

VOICE. Iowa City.

Mr. FORD [continuing]. "Iowa City, so look, you're anxious to get in, I'm anxious to get rid of you. Why don't you just go down to the bank and I'll authorize the full amount of the loan."

Then we discovered that that loan comes through to low-income families with not the greatest expectations of high paying jobs when they finish school. They were borrowing more money as a percentage of their package than they might have to.

Now, we wish that we had more money to go in the direction of the banks. And universally, we've been told from the very beginning of this year, that this trend put more and more of the burden in the form of loans and is a bad trend and we should try to reverse it.

Caught in the vise of this budget mania where we can't get the Congress to make a decision between investment and other types of expenditures, we have to try to rearrange the resources. So we are using those kinds of devices to try to direct the first attention toward the grant. And we hope that that will at least ameliorate some of this.

The only way you can solve this problem is when everyone knows we can't get the money for it. The Pell grant which as recently as 1979 represented 46 percent of the average cost of attending school, all schools, public or private, has, even though it has been raised, been reduced to 26 percent of those costs. It means a much bigger gap to be filled by other student aid.

We have been able to increase the Work Study Program and we are extending work study to the proprietary schools so that those students will not have the problem of finding so much money.

But the committee could not be more in agreement. It sounds very much, frankly, when you're half way through it, like you have read the testimony of the 352 witnesses who have appeared.

I thank you.

Ms. DELCO. Thank you.

Mr. COHEN. I'm happy to introduce next William C. Clohan, particularly because he was an under secretary and I was an under secretary. The under secretary and the assistant secretaries in the department are the work horses in the department, while the secretary gets all the credit, especially once in a while getting the blame.

But as far as programs are concerned, such as education or welfare or whatever department operates, the under secretary, for the benefit of the students here, is many times the manager of the department's programs. It is his or her responsibility to see while the secretary is engaging in long-winded testimony before congressional committees and while the secretary is at the White House at a Cabinet meeting or otherwise, that the programs keep running day by day.

And so I'm particularly glad to welcome Mr. Clohan because he's had the same experience I had in the management of these programs. Mr. Clohan.

STATEMENT OF HON. WILLIAM C. CLOHAN, ASSOCIATION OF INDEPENDENT COLLEGES AND SCHOOLS

Mr. CLOHAN. Thank you, Secretary Cohen. I certainly haven't had the experience that you have over the years in many other, many important jobs.

I always speak with great trepedation when I follow, as I have in past proceedings, Representative Delco. It's a humbling experience, I can assure you.

But as the token Republican on this panel, I believe, as the known token Republican, I will not act as an apologist for the Reagan administration by any means. I hope to even critique the comments of my friend, Ron Kimberling, who presented his remarks this morning. I think he made some very good points. I think he also made some points that I have a great deal of concern about, knowing the basis of those points.

One thing that the Reagan administration has been involved in for the last 5 years, and I'm not sure ever worked out to conclusion, is what is the Federal role in education? When I was there, we certainly spent a lot of time on it, and I'm not sure we got very far, the major question being whether there should be a Department of Education, or not.

Well, that's not the issue today; I think that the debate within the administration, as well as the debate between the executive branch and the legislative branch, the Members of Congress about the Federal role, also points out a certain amount of schizophrenia within the administration, itself.

Many people remarked to me, after this morning's meeting, how Dr. Kimberling's remarks were well-done, and certainly reflected a very positive viewpoint from the administration. However, in retrospect, they seem to conflict, as a matter of fact, Mr. Chairman, you mentioned this, conflict with the actual stated objectives and the actions of the administration over the last couple years. And I think that reflects a confusion within the administration within the personalities who drive public policy in the Reagan administration about what the Federal role should be.

I think you should note that while Ted Bell and I were there, we sent up some rather draconian and devastating budget requests and in later years, that those requests have become less devastating.

I think it reflects two things: One is the realization that there is an incredible amount of bipartisan support in the Congress for these programs, for funding for these programs. Second, I think it reflects perhaps a change in minds among those that are driving public policy perhaps at the White House level. That remains to be seen. I think it's also unusual that the bill that we are talking about today, the act that we're talking about, incorporates student financial aid in 90 percent of the funding. And that, in its purest form, is a voucher system which has always been reflected by the Reagan administration in the form of tuition tax credits and other forms of vouchers as their major objective.

And it seems rather contradictory to urge the diminution of the student aid, and at the same time proposing other types of voucher systems.

I would now like to take President Brademas'—as many of you at this table know, President Brademas has had so many different titles, it's hard to figure out which one to call him at what time—comments and Dr. Kimberling's comments and dissect them very quickly.

First of all, I think it's important to note, as several of the speakers this afternoon have noted, the change in demographics of the college student and as we look to the year 2000 and into the next 20 years of reauthorization, I think that the realization that the number of minority students, the number of low-income students in many cases are going to increase substantially, particularly in the areas and locations we are sitting in right now. The States of Texas, California, Florida, what are termed the Sun Belt, and no offense, Mr. Chairman, but the growth States, at least in the last couple of years, although I'm glad to see that Michigan is coming back very strongly, and hope it continues.

I think there also should be reconsideration of what the value—and I don't mean this in a negative sense—of the necessity of a baccalaureate degree would be. I think we are finding that there are certain, as you look at the Department of Labor projections on what types of jobs are going to be available, what types of training will be necessary to fill those jobs in the next 20 years, we come to the realization that the type of education that we have known through all these so many years, which has been very successful in creating an educated society may be changing in that certain types of training and retraining would be more important.

We are already hearing Mr. Nessbitt in megatrends and other seers in the future, are commenting that in the very near future, the skilled workers in this country will have to be retrained at least every 5 years. We know that around Dearborn and Taylor, MI, that is a very strong concern right now, given the mechanization of the American auto making.

And I think that another point that was made this morning is the fact of the declining enrollments. There is no doubt that the baby boom has moved through the traditional college age population, but I think, and this very year it surprises me, and I think it surprises the projectors at the American Council on Education, as they've noted it over the years, there's been an expectation that college enrollment will go down and in fact, in the past 5 years, it's been very stable, just about 12 million students. And I think that reflects the return of the adult to receive skills, return of the homemaker to get skills to enter the work force, sometimes of desire, sometimes and very often of necessity, and I think that the Higher Education Act reauthorization ought to reflect those goals.

One of the comments that Dr. Kimberling made with regard to declining enrollments is that at least implicitly that the amount of dollars necessary to support that declining enrollment should be less, and I contend that that is a self-fulfilling prophecy that as a former member of the Reagan administration, I know is something we used to suddenly interject in our thinking, that if you reduced the amount of student aid available, you in fact would reduce enrollments because students wouldn't be able to go to college, and it's a downward spiral.

And you have to be careful about it.

With that comment, I'd now like to get into what was a major part of the discussion this morning, and that is and this was touched upon by Dr. Atwell, where in fact Higher Education Act funds for student aid are driving up tuitions or vice versa. I'd like to point out a couple statistics that in the last couple months have become very foremost in my thinking.

In 1972, the Congress, in their wisdom, increased the maximum GSL to $2,500. Today the maximum GSL, although the chairman and the committee is proposing substantial increases, it's still $2,500, and it's 13 years later. Given the changes in the Consumer Price Index, we would need a run today, a maximum, of $6,431 in order to equal, in real terms, the $2,500 maximum in 1972.

Or put another way, the value of today's $2,500 loan is about $730. And by the end of this reauthorization in 1991, the loan maximum necessary to equal the 1972 rate will be about $8,300, and I'm not, won't get into the issues of debt burden and they are substantial, as Representative Delco pointed out, we have to be concerned about them.

I also note that the Pell grant, although it's $2,100 this year, at least 8 years ago, the Pell grant was over the $1,600 mark, and if you look at the 3 years of double digit inflation since 1978 and today, you realize that the Pell grant maximum has never, not even with the proposed increases, stayed equal to the real value of the Pell grant in 1978.

I say this, or I point it out to show that assuming tuitions are increasing at a level equal to the CPI, there is a widening gap in what is available from Federal sources, even with the increases in State funds that in fact I don't think anybody has the right or can substantially justify the comment that there is not a student tuition gap which is widening yearly.

I think, also, the comment about dependence on Federal funds is an important one. And we need to make sure that there is not an overdependence on Federal funds.

A third point I'd like to discuss, having been in this dynamic tension between the Congress and the executive branch on a number of issues and from both sides of the issue, I think that the issues are becoming more nit-picky in recent years, and I say that in a positive manner because I believe that the historical objectives of the act are very clear and everybody's mind. We talk about access; there's still a question as to whether the Federal program should provide choice, but I do think as I look back on the last couple years, that debates between the Congress and the President and the Department of Education have been over minor points. And I think that's good.

I think that, and this is reflected in the bipartisan nature of support, Republican support as well as Democratic support in the Congress, of the objectives of the program and funding of those programs. As a matter of fact, if you'll remember, last year's appropriation increased the Department of Education appropriation from $15.4 billion to $17.9 billion, the largest percentage increase in the history of the programs. And I think that was in large part due to support from Democrats and Republicans such as Lowell Weicker and Bob Stafford.

My last point is one that hasn't been discussed today, and I think needs to be, because while we talk about the fine points of reauthorization of the Higher Education Act, in fact there are issues, or there is at least one issue before the Congress right now, which in fact may make the reauthorization, if not irrelevant, certainly less important, and that is the potential impact of Gramm-Rudman. The Gramm-Rudman-Hollings bill can devastate the student aid programs if we are not careful. It appears to be an unbridled train that's moving down the track within my mind rather ironic bipartisan support for different reasons.

And I think that we have to be careful that we are not asleep at the wheel while this is going on and that students understand what is going on with Gramm-Rudman.

Over the last couple weeks, I have picked up the morning Washington Post, which tends to be the document of all-knowing all-seeing power throughout the country at least what's been going on in Congress, and I'm continually shocked by the fact that Gramm-Rudman is always on the third, fourth or fifth page, never on the first page.

Yesterday, excuse me, this morning, I saw the Austin paper, and I have traveled a lot the last couple of weeks, so I've been looking at a lot of papers, the Austin paper was the first paper that ever had something about Gramm-Rudman that I know of on the front page. As a matter of fact, it's big headlines top of the front page.

I hope that probably shows the high sophistication of the people from this area, and I hope that you will very carefully monitor what's going on with Gramm-Rudman. I don't point out Gramm-Rudman in any negative sense that I don't mean to end our discussions here today which have been very positive and I appreciate being involved in the celebration, but I think there are many ways that all the efforts of the past 20 years can go down the drain if all of us are not careful.

Thank you.

[Statement of William C. Clohan follows:]

Prepared Statement of William C. Clohan on Behalf of the Association of Independent Colleges and Schools

The changing labor needs of the American economy as it moves towards the 21st Century have placed new demands on the Nation's institutions of higher education. Low-skill and no-skill occupations are declining while jobs that require postsecondary level training are increasing.[1] Traditional public and nonprofit independent institutions have had difficulty meeting the demand for employment-related training.[2] Private career colleges and schools have helped meet the demand for such training, fashioning their programs and expanding their facilities to accommodate the needs and desires of students.[3]

Many of the students seeking employment-related education and training are from economically disadvantaged backgrounds or are facing job dislocation through plant closings or changing technologies.[4] These students have relied on federal student financial assistance. Without it, many of the students would have no opportunity to attend an institution of higher education at all.

This paper discusses the role private career institutions are playing in meeting the Nation's need for career education and the role of federal student financial assistance in supporting students attending such schools. This history of private career education will be reviewed in order to show the evolution of the first private career colleges and schools into today's universe of institutions which serve the majority of the Nation's postsecondary vocational students. The economic and other characteristics of students attending private career colleges and schools will then be reviewed, as well as the nature of the institutions of higher education they attend. The paper also will review the obstacles to students pursuing educational opportunities as a result of contradictions in public policy as expressed through federal student aid and social services programs. Finally, the paper will review the role private career colleges and schools are playing in addressing existing employment needs.

PRIVATE CAREER EDUCATION, PAST AND PRESENT

Private career schools and colleges have existed in America since before the American Revolution.[5] Privately operated schools provided practically all vocational training until Congress established the Land Grant College system with the passage of the Morrill Act in 1862.[6] Institutions established under the Morrill Act, however, did not fully meet the needs of many individuals, especially those unable to attend college.

The establishment of new private career colleges and schools continued through the 19th Century and was complemented by the enactment of the Smith-Hughes Vocational Training Act in 1917. The growth of both private and public career training also was encouraged by a decline in the apprenticeship system of training by employers and an economy with a growing need for specialized skills.

---

[1] Morgan V. Lewis and Jeanette L. Rosen, "Taking Stock of Vermont Trends," Vocational Education 59 (May 1984): p. 26–28.

[2] "Pressure Mounts on Physically Pressed Colleges to Provide More Occupational Training," Christian Science Monitor, January 9, 1984.

[3] ITT Educational Services, Inc., America At Work: The Evolving Role of Proprietary Vocational Education (ITT Educational Services, Inc., 1983).

[4] Carol Francis, Basic Facts on College-Going Rates by Income, Race, Sex and Age, 1970–1980, National Commission on Student Financial Assistance, 1982.

[5] ITT Educational Services, America At Work, appendix I.

[6] 7 U.S.C. sec. 301, (July 2, 1962); ch.130, sec. 1, 12 stat. 503.

The modern system of private career training emerged largely as a result of the sharp demand for employment-related education by returning servicemen after World War II. These veterans benefitted under the enactment of the Serviceman's Readjustment Act of 1944, which provided for benefits of up to $500 per year to cover tuition, fees, and othe training costs. Of the 7.8 million returning veterans who received their benefits, over 270,000 used it for private career training.

The growth of the private career sector of higher education continued as the American economy boomed. In addition, GI benefits were made available after both the Korean and Vietnam wars. Today, over 6,000 private career colleges and schools offer programs in dozens of vocational areas,[7] ranging from auto mechanics to bookkeeping, cooking and computer programming.

Many of the programs offered at private career colleges and schools are also offered by public two-year institutions. Often the tuition and fees charged for such competing programs is less than that charged by private career colleges and schools. Perhaps the principal difference between private career educational programs and those offered by comparable programs at public institutions is the duration of the course of study. Residential programs at private career colleges and schools average about half the duration of public programs. Observers have explained this difference as reflecting the motivation of proprietary institutions to use existing resources more economically.[8]

STUDENT CHARACTERISTICS

In the last five years, enrollment in private career colleges and schools has increased at a rate of between 20 and 25 percent per year.[9] Current enrollment exceeds 1.5 million students.[10] Enrollment at private career colleges and schools has grown at a rate faster than that of the traditional four-year public and private institutions, reflecting the changing aspirations and demographics of the population, the changing needs of the work force, and the ability of those institutions to respond to those needs. The racial and economic background of students attending private career colleges and schools has changed as the national percentage of traditionally aged students attending college has increased. Many poor students, who would not have attended any institution of higher education of any description, sought education at proprietary and community colleges. These students, partially as a result of their economic status, have greater interest in employment-related training than do their wealthier counterparts. They cannot afford financially to remain out of the work force for an extended period of time.

Nationally, over 12 million students attend all categories of institutions. Of the 12 million, more than 50 percent are women, over 15 percent are members of a minority group, about 40 percent are over the traditional college attending age of 25, and less than 60 percent are attending full-time.[11]

Students attending private career colleges and schools are remarkably similar in their characteristics to their counterparts attending two-year public institutions.[12] In both socio-economic status and academic ability, it is clear that both sectors are drawing from the same pool of students.

For both categories of institutions, a higher percentage of Black students are served than in four-year public or private institutions. One explanation of this statistic is that Black youth have a lower rate of graduation from high school than do their white counterparts[13] and private career colleges and schools and community colleges are frequently willing to admit students without high school diplomas and provide remedial programs to prepare them for further postsecondary work.

Students from low socio-economic status are almost as likely to attend a two-year institution or private career college or school as a four-year institution. Students with high socio-economic backgrounds, however, are more than nine times as likely to attend a four-year institution than a career college or school.[14] These statistics reflect not only a greater concern with acquiring a marketable job skill, but also the educational programs offered by high schools. They also underscore the need to have those students continue to be eligible to participate in the Higher Education Act student aid programs.

---

[7] National Center for Educational Statistics, "Early Release: Non-Collegiate Postsecondary Schools with Occupational Programs, 1982" (U.S. Department of Education, May 1983).

[8] Wellford W. Wilms, "Proprietary Schools and Financial Aid," The Journal of Student Financial Aid 13 (Spring 1933): p. 7-17.

[9] ITT Educational Services, America at Work, p. 4.

[10] Ibid.

[11] Final Report of the Study Group on the Conditions of Excellence in American Higher Education, Involvement in Learning: Realizing the Potential of American Higher Education (National Institute of Education, October, 1984), p. 5.

[12] Wilms, "Proprietary Schools and Student Financial Aid," p. 11.

[13] National Center for Education Statistics, A Statistical Report on the Condition of Education (Washington, DC; Government Printing Office, 1985), p. 74.

Performance on tests to measure ability shows an even more dramatic distribution between the three categories of institutions. Students in the top quartile of test scores enroll in four-year institutions ten times as frequently than in two-year institutions, and almost twenty times as frequently than in private career colleges or schools.[15]

By race and ethnicity, statistics show that a higher percentage of both Black and Hispanic students attend two-year and career colleges or schools than do white, non-Hispanic students.[16] Studies show these two groups to be increasing at a rate faster than white students.[17] The Black and Hispanic proportion of the national population will grow from 20 to 25 percent between 1980 and 2020.[18]

The proportion of minority students attending some form of postsecondary education has been dropping after a period of expansion in the early 1970's. For example, the percentage of Hispanic high school students going on to college dropped sharply between 1975 and 1981.

THE INSTITUTIONAL CHARACTERISTICS

Of the approximately 6,000 private career colleges and schools, some 3,500 were accredited by one of the three national accrediting associations in this area, the Association of Independent Colleges and Schools [AICS], the National Association of Trade and Technical Schools [NATTS], or the Accrediting Commission on Cosmetology Education [ACCE]. Supplementing these national accrediting bodies are regional and state accrediting commissions serving specific geographic areas. Attendance at an accrediting institution is a threshold requirement for student eligibility for federal aid programs.

Perhaps the best known organizations offering accreditation to private career colleges and schools are AICS and NATTS. Founded in 1912, AICS has a membership of 628 business schools and colleges and another 352 branch campuses. Approximately 595,000 students are enrolled at AICS schools. AICS colleges and schools vary from business or specialized schools offering courses of up to one year in length to junior and senior colleges offering recognized associate and baccalaureate degrees. NATTS consists of approximately 1000 accredited occupational schools or branches offering over 100 different career training programs.

Private career colleges and schools are controlled by individual families, small companies, and, increasingly, large corporations such as Bell and Howell, Control Data Corporation, ITT, and the National Education Corporation.[19] Control of institutions by larger corporations has resulted partially from the increasing capital costs associated with operating schools.

The investment in plant and equipment represented by such schools is significant. In California, for example, the market value of facilities, equipment and curricula is estimated at $750 million. Schools in that State generate approximately $610 million in revenues and provide 21,000 jobs. One researcher notes that the schools "contribute substantially to the California economy [by] providing training that would otherwise probably have to be provided at public expense, and by generating jobs and revenue on which substantial personal and corporate taxes are paid."[20]

Given the increasing federal budget deficit and the concurrent increased demand for the finite tax dollar, business will have to look to the private sector to provide capital for job-related training and education. Due to budgetary constraints on the public institutions and the inherent difficulties they have in responding quickly to job market and technolgy needs, private institutions will have to shoulder a larger part of the training workload. Student aid, particularly because it is portable with the student between institutions, is the single best mechanism for providing access to the most relevant education.

---

[14] Ibid., p. 226.

[15] Ibid.

[16] Ibid.

[17] Richard W. Moore and Wellford W. Wilms, "Demographic Trends in Private Career Education," AICS Compass, October 1985, p. 13, 14.

[18] Dr. John B. Lee, Max K. Rotermund, and Jo Ann Bertschman, Student Aid and Minority Enrollment in Higher Education (Washington, DC: Applied Systems Institute, January 1985).

[19] ITT Educational Services, America at Work, p. 5.

[20] Rebecca L. Dickinson, "California Proprietary Schools Responsive to Employees," Higher Education Daily, 1 June 1984, p. 5.

Private career colleges and schools are the largest providers of postsecondary vocational training. They comprise more than sixty percent of all postsecondary schools providing vocational training nationally, enrolling over 75 percent of all vocational students. Growth in enrollment in the last ten years has been significant, especially for schools offering business and secretarial programs.

Courses of study at private career colleges and schools can range from three weeks for a course in heavy construction equipment operation to 150 weeks. The average course of study is about 1,000 clock hours, or 40 weeks.[21] As noted elsewhere in this paper, the time spent by the students in the classroom per day is considerably greater than in other categories of institutions. Time in the classroom frequently amounts to forty percent of a student's day and attendence is generally closely monitored. The concentrated nature of educational programs offered by private career colleges and schools is viewed as encouraging student enrollment in that the short duration of the program minimizes disruption of other aspects of the student's life and places the student in the work force sooner. Moreover, it keeps the costs to the government much lower as compared to less concentrated programs.

Unlike most other types of educational institutions, most private career colleges and schools use rolling admissions procedures, admitting a new class of students into the institution every few weeks. Such procedures facilitate quick transition from selection of a career or employment goal, obtaining the necessary training, and securing a job. Under such a system, schools operate year-round, maximizing the effective use of facilities.

Tuition and fees charged at private career colleges and schools typically are higher than at public institutions where large state subsidies are provided. The average cost of a business program at an AICS instituion, for example, is approximately $4800.[22] The cost of a particular program is often directly related to its duration. Because of the concentrated nature of instruction at private career colleges and schools, however, the higher tuition paid by students is more than offset by earlier entry into the work force and less foregone income.[23] Studies have shown that in several fields students' net costs were considerably lower than for public institutions. For instance, computer programming costs at a private career colleges and schools were fifty-one percent of the comparable amount at a public institution.[24]

The changing demographics of the traditional college-age population suggests that institutions serving students beyond the traditional ages of 18 to 24 years of age will attract a larger percent of the total number of enrollments. Statistics show that the population of persons aged 18 to 24 began declining in 1982 and will continue to shrink at least for the next ten years. The age 25-and-above category, by contrast, will continue to expand during the same period.[25]

Department of Education statistics suggest strongly that students become more likely to seek vocational or continuing education than academic education the older they are at the time of the enrollment.[26] Studies relating to the motivation of adult students suggests that students with prior work experience become more career-oriented in their selection of an educational institution.

Students enrolled in career programs are also more likely to be employed, full or part time, than their counterparts enrolled in academic programs.[27] For example, 44.3 percent of all students enrolled in vocational schools were employed full-time while only 24.2 percent of students in academic programs were.[28] The percentage of students classified as unemployed is also almost twice as high.[29] Data discussed below suggests that there may be additional students in need of employment-related training who are unable to attend an institution because of difficulties in finacing and education.

---

[21] ITT Educational Services, Inc., America at Work, p. 5.

[22] Preliminary findings of study conducted by training Research Corporation, 1985.

[23] Wilms, "Proprietary Schools and Student Financial Aid," p. 12.

[24] Ibid.

[25] National Center for Education Statistics, A Statistical Report on the Condition of Education, p. 88.

[26] Ibid., p. 90.

[27] Ibid., p. 92.

[28] Ibid.

[29] Ibid., 4.5% in academic prog ms, 8.5% in vocational programs.

STUDENT AID PARTICIPATION

Students attending proprietary (tax-paying) colleges and schools became eligible to receive federal student financial assistance under the High Education Act of 1972. Receipt of assistance by students at these institutions was initially small, but grew as institutions established eligibility with the Office of Education.[30]

The receipt of student aid by students attending all categories of institutions increased dramatically during the period 1974 to 1984. During this period, federal appropriations for student financial assistance more than doubled. For students attending private career colleges and schools, however, the percentage of increase was considerably greater than that attributable to the overall amount of aid available. In the 1973-74 academic year, for example, approximately seven percent of all Basic Educational Opportunity Grants (BEOG's, now known as Pell Grants) went to students attending these institutions. By the 1979-80 academic year, the percentage increased to ten percent.[31] For Supplemental Grants [SEOG's] and National Direct Student Loans [NDSL] over the same period, the increases were from zero and two percent to eight percent respectively. By the 1982-83 academic year, the share of Pell Grant assistance going to students attending private career colleges and schools increased to approximately 16.8 percent of the total.

Table I shows the increases in the percentages of both Pell Grants and Campus-based aid received by students at these institutions for the 1973-74 and 1980-81 academic years.

TABLE I.—RECEIPT OF COMBINED PELL GRANT AND CAMPUS-BASED ASSISTANCE BY STUDENTS AT PRIVATE CAREER COLLEGES AND SCHOOLS.

[In millions]

	1973-1974	1980-1981
Constant 1982 dollars	13.4	410.5
Current 1982 dollars	27.7	457.5
Percent of total aid provided	1.4	9.5

Source: College Board, Trends in Student Aid 1963-1983

The increase in the percentage of aid received by students attending private career colleges and schools resulted not only through the expansion of student aid opportunities to students previously not served under these programs, but also because of the sharp increase in the number of students enrolled at such institutions. Among AICS-accredited institutions, for example, enrollment increased from about 350,000 in the 1978-1979 academic year to 595,000 in 1985,[32] evidencing strong demand for training provided.

The growth of private career college and school enrollment has resulted not only through the planned expansion of institutions, but through the encouragement of business. In California, for example, private career schools and colleges frequently make curricula changes on the basis of labor and student market considerations, especially employer requests.[33] Such rapid response to labor market needs frequently gives these institutions an advantage over their public counterparts.

CONTINUING OBSTACLES: CONTRADICTIONS IN PUBLIC POLICY

The acquisition of needed employment skills by individuals has been frustrated by the existence of public policies which discourage the enrollment of poor students in employment-related educational programs.[34] These policies penalize prospective students by requiring an offset against public welfare assistance payments for student aid received.

---

[30] Donald A. Gillespie and Nancy Carlson, Trends in Student Aid: 1963 to 1983, Washington Office of the College Board, December 1983), p. 41-44.

[31] Ibid.

[32] Association of Independent Colleges and Schools, AICS Annual Review and Forecast (Washington, D.C.: AICS, 1985), p. 38.

[33] Dickinson, "California Proprietary Schools Responsive to Employees," p. 5.

[34] David Paul Rosen, Current Contradictions Between Public Assistance and Postsecondary Education Opportunity Policies (Oakland, California: David Paul Rosen and Associates, August 27, 1985), p. 111.

Recent budget reductions for federal social service spending have been accompanied by modifications to public assistance programs creating disincentives for students pursuing educational opportunities.[35] For instance, the Omnibus Budget Reconciliation Act of 1981 [36] eliminated federal support for dependent 18- to 21-year-old AFDC (Aid for Families with Dependent Children) recipients. The same Act required that parents with children under six be home except for "very brief and infrequent absences," thus precluding many welfare parents, especially single mothers, from attending school.

The 1981 Act also phased out Social Security Student Benefits, eliminated the earnings disregard for full-time students and the $300 annual deduction for full-time students in the Public Housing program, and generally reduced expenditures for all forms of federal assistance.

The problem of coordinating public social services policy and federal student aid, however, existed prior to 1980. Amendments to the Food Stamp program eliminated eligibility for college students long before 1981. A Food Stamp recipient who chooses to enroll in school stands to lose an average annual food subsidy of over $430. Similarly, an increasing number of state unemployment compensation programs limit the payment of benefits to individuals enrolled in college, even if such enrollment is for the purpose of obtaining needed job skills.

The consideration of federal student assistance as income for the determination of eligibility for public assistance represents a dramatic shift in the direction of public policy from that direction in the 1960's and early 1970's. The emphasis on expanding educational opportunity has given way to priority on holding down the cost of assistance programs.

A representative problem in this regard is the often overlapping or conflicting definitions of "Educational Cost" and "Living Cost" as used in student aid and public assistance programs. Research has identified numerous instances where overlaps in definitions result in uncoordinated policies. For instance, educational expenses are frequently defined as "tuition and fees" in determining AFDC benefits, which are themselves quite limited. "Educational Costs" as determined by financial aid administrators for use in determining financial aid, includes clothing, meals, housing, and transportation as assumed to be needed by a typical student. The AFDC benefits of the student are reduced by the amount of the student assistance received, which, in most instances, does not provide adequate support for meeting living expenses for an adult, especially if the student has dependents. The net effect is a shortfall that may lead the student to decide not to attend school. A preferable policy would be to disregard the income from each program in determining the eligibility for the other. In so doing, the student suffers no reduction in benefits from AFDC and is not "penalized" for enrolling in school.

A survey of AICS members conducted in 1985 sought to determine the extent to which coordination of benefit problems are experienced by students attending AICS institutions.[37] The survey included the following findings: 19 percent of the respondents experienced a reduction in AFDC grants by treating non-federal student aid as income; 23.8 percent of the respondents reported difficulty in locating and paying for adequate child care; 21.3 percent of the respondents reported a reduction in Food Stamp grants upon enrollment in postsecondary education; 28 percent of the respondents reported receiving little or no information concerning postsecondary educational opportunities and available student financial assistance.

All of these problems, with the possible exception of inadequacies in child care, result from inconsistencies in federal policies that encourage enrollment in school under one program and discourage it through another.

Resolving the contradictions between federal student aid and public assistance is expensive. It also raises the inevitable concerns regarding "fraud and abuse." The basic reform, however, of disregarding the receipt of federal loans and grants in determining benefits under public assistance programs would remove a large portion of the present obstacles facing many individuals in immediate need of additional education.

The problem of contradictions in public policies relating to educating the unemployed and underemployed was perhaps best summarized by Dr. Morris Keeton, Chairman of the Commission on Higher Education and the Adult Learner and President of the Council for the Advancement of Experimental Learning, in testimony before the House Subcommittee on Postsecondary Education:

---

[35] Ibid.

[36] P.L. 95-35 (1981).

[37] Rosen, Current Contradictions Between Public Assistance and Postsecondary Education Opportunity Policies, p. v.

"— regulations governing the payment of unemployment compensation and public assistance benefits affirmatively prevent precisely the education and training activities that would diminish the need for such public largess."[38]

Dr. Keeton recommends the use of tax incentives and tax-favored savings plans, as well as "the coordination of work-related programs with those that are in the higher education arena."[39]

One final obstacle to educational opportunity is the shortage of information regarding eligibility and use of existing federal student aid programs. The National Student Aid Coalition notes that one reason minority enrollment in higher education has declined is because minority students are often unaware of their eligibility for assistance.[40] The Coalition has recommended a significantly increased federal effort directed at assuring that all eligible students are aware of federal aid programs as the solution to the problem.

Enactment of such a program would be particularly beneficial to older students, since most information regarding federal student aid programs currently is available only through high school counselors.

DISCRIMINATION AGAINST PRIVATE CAREER COLLEGES AND SCHOOLS IN FEDERAL STUDENT FINANCIAL AID?

Tax-paying colleges and schools are treated differently than all other categories of institutions under the Higher Education Act, in that they are ineligible for institutionally-based aid.[41] The exclusion of such institutions from eligibility for many programs that would be of direct benefit to students at such institutions has been justified on the basis that proprietary schools are "profit-making".[42]

Private career colleges and schools have come to accept exclusion from the non-Title IV programs under the Act, but have become increasingly concerned over the possibility of exclusion, legal or *de facto*, from the student aid programs. The four greatest concerns in this regard are: the Guaranteed Student Loan program, Pell Grants, College Work-Study program, and the State Student Incentive Grant program.

Guaranteed student loans

The National Commission on Student Financial Aid reported in 1983 that students attending private career colleges and schools were disproportionately dependent on guaranteed loans because of limited access to aid under the campus-based programs and generally limited family resources.[43] Because of the extent of dependence on guaranteed loans, the Commission decided to conduct a study of the access of such students to the program.

The study, prepared by Wellford W. Wilms of the Training Research Corporation, found that students were successful in securing a loan. The author noted, however, that nearly one-third of the schools contacted in connection with the study had encountered changes in lender policies that could have an unfavorable impact on students' access to loans.[44] Among the discriminatory practices identified were policies limiting loans to existing customers or local residents. Other lenders ceased lending to students attending private career colleges and schools.

The increased concern of Congress regarding the problem of defaults in the Guaranteed Student Loan program has led some guaranty agencies to propose restricting or eliminating eligibility of lenders or schools experiencing high default rates,[45] even though institutions have little or no control over whether a student ultimately defaults on a loan. While the incidence of systematic exclusion of students attending private career colleges and schools has not yet become a reality, the increased pressure on the Congress to reduce losses from default in the program make restrictions of this type more and more of a threat.

---

[38] Dr. Morris Keeton, President, Council for the Advancement of Experimental Learning, Testimony before the Subcommittee on Postsecondary Education, Committee on Education and Labor, U.S. House of Representatives, 5 September 1985, p. 5.

[39] Ibid., p. 5.

[40] Dr. Francis Keppel, Chairman, National Student Aid Coalition, Statement before the Subcommittee on Postsecondary Education, Committee on Education and Labor, U.S. House of Representatives, 1 August 1985.

[41] Higher Education Act of 1965, P.L. 89-329, Sec. 1201(a), as amended.

[42] See, for example, comments of the State Higher Education Executive Officers Association in Dickinson, "States Unsure of How to Treat Proprietary Vocational Schools," p. 5.

[43] National Commission on Student Financial Assistance, Proprietary Vocational Schools and Federal Student Aid: Opportunities for the Disadvantaged (Washington, DC, 1983).

[44] National Commission on Student Financial Assistance, The Guaranteed Student Loan Program and Vocational Students: A Success at Risk, Washington, DC, 1984.

[45] Paul Borden, Executive Secretary of the Kentucky Higher Education Assistance Authority, has proposed limiting the eligibility of institutions of higher education with high default rates for both the GSL And NDSL programs.

Pell grants

The Reagan administration has put forward proposals that would eliminate substantial numbers of private career college and school students from the Pell Grant program. Using a U.S. General Accounting Office study as justification, Many Proprietary Schools Do Not Comply With Department of Education's Pell Grant Program Requirements,[46] the Administration proposed eliminating from all forms of federal student aid, any student not having a high school diploma or its equivalent. Estimates suggested that as many as one-third of all students attending private career colleges and schools would be affected.[47]

The proposal to eliminate "ability to benefit" students [48] raises serious concerns regarding whether the opportunities for higher education will be denied to a large percentage of youth. In New York State, for example, only 48 percent of all students complete high school.[49] The ostensible rationale for eliminating these students is that they have higher drop-out rates than their high school-graduated counterparts.[50]

College work-study

Section 443(b)(1) of the Higher Education Act prohibits College Work-Study students from working at a for-profit institution or entity. This provision precludes students attending private career colleges and schools from participating in the program if the only employment opportunities available to them are on campus. Currently, over 85 percent of the College Work-Study recipients attending public and private non-profit institutions work on campus.[51]

Private career colleges and schools have repeatedly proposed elimination of this provision on the ground that employment opportunities on campus in positions relating to the student's course of study are appropriate.[52] An amendment to provide for such opportunities was included in the reauthorization bill sponsored by Representative Paul Simon in the 98th Congress.[53] This bill, however, was not enacted into law.

Permitting students attending private career colleges and schools to work on campus would not instantly resolve the problem of limited opportunity to participate in College Work-Study. Many observers have noted that even if such employment were permitted, the concentrated nature of instruction at such institutions would still preclude employment for many students.[54] However, employment at off-campus agencies is now almost impossible.

State student incentive grants (SSIG)

Under section 415B(a)(1)(A) of the Higher Education Act, each state receives an allotment of grant funds based on the total enrollment of students in institution of higher education in the state. The most recent statistics on the distribution of SSIG funds to students shows that 56 percent of the funds were received by students attending public institutions, accounting for 72 percent of all recipients. Private nonprofit institutions received 41 percent of the funds and accounted for 26 percent of the recipients, while proprietary and other non-profit institutions received only 2 percent of the funds through 2 percent of the recipients.[55]

---

[46] Report by the Comptroller General of the United States, Many Proprietary Schools Do Not Comply with Department of Education's Pell Grant Program Requirements (Washington, D.C.: General Accounting Office, 20 August 1984).

[47] National Commission on Student Financial Assistance, The Guaranteed Student Loan Program and Vocational Students: A Success at Risk, p. 25.

[48] Higher Education Act of 1965, Sec. 481(b), 1201(a), as amended.

[49] F. Jack Henderson, Jr., President, Branell College and Chairman, AICS Accrediting Commission, Testimony regarding the GAO report on Pell Grant administration before the Subcommittee on Postsecondary Education, Committee on Education and Labor, U.S. House of Representatives, August 1, 1985.

[50] See Report by the Comptroller General of the United States, Many Proprietary Schools Do Not Comply with Department of Education's Pell Grant Program Requirements.

[51] National Commission on Student Financial Assistance, The Guaranteed Student Loan Program and Vocational Students: A Success at Risk, p. 26.

[52] This proposal was submitted to Chairman Ford and Representative Coleman as a recommendation for the reauthorization of the Higher Education Act in April 1985 by AICS, NATTS, and ACCE.

[53] H.R. 5240, 98th Congress, 2d sess. (1984).

[54] National Commission of Student Financial Assistance, The Guaranteed Student Loan Program and Vocational Students: A Success at Risk.

One explanation of the disproportionately low SSIG participation rate of students attending private career colleges and schools is the fact that several states have legislatively prohibited grants under their state program to students attending taxpaying institutions. Most states, however, count students attending private career colleges and schools for the purpose of establishing their state allotments under the program.

Associations representing private career colleges and schools have proposed that the differential treatment of students attending such schools be eliminated.[56] Under their proposal, states would be permitted to count, for purposes of their state allotment, only those students actually eligible to receive a grant under their state program. One explanation for this state policy is that there is "great uncertainty about what proprietary institutions are, what they do, and how they should be treated by the states and the postsecondary education community." [57] As of August 1, 1984, approximately 30 states provide state grants for students enrolled in private career colleges and schools.[58]

THE NEED FOR CAREER EDUCATION

The rapid transition of the American economy from one primarily based on manufacturing to one based on services has resulted in the dislocation of millions of workers. Dislocation has resulted by technological change, shifting prices favoring imported over domestically-produced goods, and changes in consumer demand. For many of the workers affected, their old jobs will never return. Of employment reductions in the auto industry, for example, approximately 15 to 20 percent of the positions will never be replaced, even if demand for automobiles increases.[59]

The educational system must respond to what analyst Anthony Patrick Carnevale describes as the need for "smarter workers working smarter." The need for such workers is urgent. The U.S. share of skilled workers worldwide has dropped from 29% to 26% and further declines are projected.[60] To respond to this need, employment-related education of several descriptions is necessary.

The most needed form of education is basic literacy training. Approximately one million students drop out of high school each year, facing futures often characterized by unemployment and reliance on federal welfare programs. One estimate of the yearly governmental cost in welfare and unemployment compensation resulting from illiteracy is $6 billion.[61] Approximately $237 billion in unrealized earnings (with appropriate share of lost tax revenues) also results.[62]

The second category of needed education relates to enhancement of occupied skills. Job dislocation—or the threat of it—has led to a 122 percent increase in the enrollment of individuals over age 25 in college between 1970 and 1985.[63] Accompanying this increase has been a rise in part-time enrollment. Such students now account for 44 percent of all students.[64]

Many of the adult learners returning to school are seeking to qualify for employment also in occupations which do not require a traditional college education. Of the 20 occupations identified by the U.S. Department of Education as likely to show the greatest growth, 14 do not require a bachelors degree. Included in those occupations are secretaries, dental hygienists, computer programers, and paralegal personnel.[65]

---

[55] See Evaluation of the Cooperative Institutional Research Program (CIRP) of the Higher Education Research Institute's Annual Survey of Freshman 1982-1983 in U.S.; Congress, Senate, Committee on Labor and Human Resources, prepared by the Congressional Research Service, The Library of Congress. Reauthorization of the Higher Education Act: Program Descriptions, Issues, and Options, 99th Congress, First Session, February 1985, p. 147.

[56] See AICS legislative recommendations to Chairman Ford and Representative Coleman.

[57] Dickinson, "States Unsure of How to Treat Proprietary Vocational Schools," p. 5.

[58] Mary B. Wine, AICS, Director of Professional Relations, Letter to Joseph A. Kennedy, August 15, 1984.

[59] The Commission on Higher Education and the Adult Learner, Adult Learners: Key to the Nation's Future (Columbia, Maryland, November 1984).

[60] Ibid., p. 5.

[61] "A Nation of Illiterates?" U.S. News and World Report, May 17, 1982, p. 53.

[62] Ibid.

[63] C. Emily Feistrizer, "Why Do We Let Grown-Ups Hog Student Aid?" The Washington Post, July 28, 1985, p. B1.

[64] Ibid.

[65] ITT Educational Services, America at Work, p. 8.

Public awareness of the need for up-to-date skills is reflected in recent opinion polls. A study by Research Forecasts, for example, showed that 81 percent of the population expect that changes in the workplace will require additional education.[66] The same study showed that approximately 20 percent of the population are already considering a career change and that 80 percent believe that persons with specialized skills have an edge in the job market.[67]

The decision of students to enroll in a private career college or school often results from a determination that such an institution is best able to meet the needs of particular students.[68] Students seeking marketable skills are frequently dissatisfied with the type of jobs available through high school or traditional college education. Enrollment of such students is frequently only possible through federal student financial assistance.

CONCLUSION

Federal student financial assistance to students attending private career institutions supports quality education urgently needed by a segment of the student population which might not be served by the traditional higher education system. Students attending such schools are usually in pursuit of a career goal that requires specific job skills and a specialized education. Such students are generally less affluent, have lower prior academic achievement, and are more likely to be from a racial or ethnic minority.

Viewed in the context of the background of the student served and the education achieved, it is clear that the participation of private career shcool students under the Higher Education Act has been clearly consistent with the original purpose of the Act in expanding educational opportunity.

Full access to private career institutions, as well as other institutions, however, is not a reality. Various provisions in federal student assistance and public welfare laws establish disincentives for many students to enroll in postsecondary training.

Private institutions through private innovation and private capital will be increasingly needed to serve the education needs of employers, employees, and high school graduates. Already, corporations have expanded their in-house training to meet those needs. Private career education is a similar private sector activity which complements that corporate training, as well as traditional liberal arts training.

Thus, as analysis of the role vocational training is playing in meeting the labor needs of the rapidly evolving American economy shows that the contributions of private career schools and colleges are valuable for America as well as for the students enrolled in them.

Mr. COHEN. Thank you. I'll have my own comments subsequently, but I'll just make two brief ones, here. One is I think that in this historical occasion, we've neglected to give Al Quie as much credit as he deserves in terms of the 1965 legislation, although I argued with Al Quie extensively in 1965, I thought of him as being a great statesman on this legislation, later Governor of the State of Minnesota, later a college president, and I really think in this historical setting, Mr. Chairman, we should recognize that bipartisan nature of the 1965 act with Al Quie being a very, very important, factor.

Mr. FORD. I would certainly support that because in both elementary and secondary and higher education, I think the records will show a lot of Quie compromises on the books.

Mr. COHEN. I still think there ought to be a Quie title in the higher education bill or the elementary bill somewhere.

Mr. FORD. I for one would really appreciate that.

Mr. COHEN. The other thing which I'll discuss later, which Mr. Clohan mentioned, I am in favor of indexing all these amounts in the higher education bill. If indexing is all right for tax reduction, then it's all right for higher education, too, Mr. Chairman. I know that relationship is not within the function of your committee, but until they eliminate indexing in the tax bill, I am in favor of indexing all education and welfare legislation, because the adverse impact on the economy is very great.

---

[66] Ibid., p. 10.

[67] Ibid., p. 13.

[68] Daniel Gottlieb, "High Technology Training Surges," High Technology, October 1983, p. 78.

Our next witness is Dr. Lieb from the University of Southern California.

Dr. Lieb.

STATEMENT OF DR. IRWIN LIEB, THE BROWN FOUNDATION, UNIVERSITY OF SOUTHERN CALIFORNIA

Dr. Lieb. Mr. Chairman, thank you for inviting me to this celebration and for permitting me to make some comments in testimony. It's only on one or two points that I think I will go in a different direction than our other colleagues.

All of us have our impatience with history. Good things are too slow coming; bad things last too long. Nevertheless it is impressive in the history of our country that education at higher and higher levels have through the history of the country been made available to more and more people.

In the early part of the history of our Nation, public education became common quickly, subsequently, higher education. And in the last 100 years, and we know why, higher education has become more accessible to larger numbers of persons at comparatively lower costs.

The great State universities, the community college systems, and because of massive philanthropies, our education has become accessible to even more persons in private institutions.

Several remarks have been made about the accessibility of higher education and consequence of the provisions following the second World War. GI bill, Public Law 16, 346, and there are dozens of us here who are the beneficiaries of those provisions.

After sputnik in 1957, massive support for research graduate education in the NDEA programs, and since that time very large support in what I think is a mature and wise decision to locate the major research effort of the Nation in connection with graduate education in our universities.

Even indeed a number of the national laboratories are under the supervision of, sometimes the troubled supervision of, the major American universities. The alternative would be strictly controlled Government facilities and we know the record of the quality of research conducted in such institutions in other nations.

The need for the Higher Education Act was urgent, because despite all that had been done, by States and privately before, education was still comparatively expensive, and without loans, work study and grants, very large numbers of students, as President Hardesty pointed out, could not have attended institutions of higher education.

When large amounts of money are expended by the governments, Federal or State, there are always questions whether it's worth that amount of money; whether its worth some amount of money a little bit less, or in the extreme case it is not worth the money at all.

I am intending, by this remark, to try to block out the arena of dispute about the reauthorization of Higher Education Act. Its clear that we need the act, and this is, as Mr. Clohan's pointed out, the nitpicking. We're talking about now about the amount of money in some of the provisions. What do we know about the amount of money. We don't know exactly how much money is right.

Mr. Cohen's just talked about indexing and the bipartisan supporters of a bill should come up with as large amount of money as they think they can get effectively through the Congress When that figure is established, we see the response by students to the availability of funds, we try to measure the good of it, and we look carefully for malpractice, we look carefully to see whether there's discrimination, whether there's unfairness in the management of these resources.

So I would like to have as large an amount as possible and consonant with this, the other side of this is to have the States do everything they can to assume a greater portion of the cost of tuition and benefits in the State universities and in the community colleges and likewise, there shall be an earnest effort by private institutions very substantially to enlarge their endowments to see that their tuition costs are lowered.

In these disputes about how much will be authorized, several have reported and expressed criticisms, expressing criticisms, for example, for the very high costs of some of the private institutions, and criticism about some of the choice which students are allowed to make. Choice, choice, choice, has been heard any number of times today with respect to those criticisms.

Historically, we have a system of public and private higher education in this country, and we hold to it not only because we have it; we hold to it in principle.

On the second matter about choice, our concern shall be for the development of intelligence. The chairman talked about the development of intelligence as a resource and so we have to think of the dimensions of it, breadth, depth and height. The singular point that I'm anxious to insist upon is that in this country we do not otherwise require or discipline the distribution of intellectual resources.

It is not our way to make a gate, a bar, an entry way. Our way is to lure by offering inducements and attractivenesses for one career or another, and it would be completely against our traditions of choice to establish coercive regimes for intellectual choice. Such concern as we have about the choices that students and their families make should not weigh much in the reauthorization years.

They are the very minor costs of the wearing of the gears on legislation which clearly has ennobled us.

Thank you, Mr. Chairman.

[The prepared statement of Irwin C. Lieb follows:]

PREPARED STATEMENT OF IRWIN C. LIEB, UNIVERSITY OF SOUTHERN CALIFORNIA, ON BEHALF OF THE BROWN FOUNDATION

Mr. Chairman, I appreciate being invited to join in this splendid celebratio[illegible] the twentieth anniversary of the Higher Education Act and to make a contribution to these hearings.

Mr. Chairman, all of us are impatient with history. Good things are too long in coming and bad things last too long. Still, I think we should be impressed that through our history, higher and higher levels of education have been made accessible to more and more of our society.

For the largest part of our history, states have provided for free elementary and then secondary education. For the last one hundred years or so, especially since the Morrill Act was passed, higher education has been made more accessible to us at low or lower costs—in the great public state universities and, because of the growth of philantropies, in the splendid private universities as well. As you know, none of them charge their students the full cost of their educations.

Since the Second World War, colleges, universities and the federal government have become very closely associated. There was massive federal support for veterans in the GI Bills, and after 1957, there was major federal funding for graduate research and for facilities. The nation has made the sound decision that its basic research shall be associated with graduate instruction, and our research universities are our best centers for the advance of knowledge and scholarship.

In 1965, the Higher Education Act was signed by President Lyndon Johnson on this lovely campus where we meet to talk about its reauthorization. This act, so widely supported in the Congress, was clearly needed. Because beyond all that had been done by the states and the private universities, higher education remained comparatively expensive. Without the additional grants, loans, and work study support which were authorized in the Higher Education Act very many able students, millions of students, would not have been able to afford college and university study. They personally and the nation generally would have been diminished by their lack of opportunity.

Whenever large amounts are appropriated there are always questions whether all this is worthwhile or not, or whether it is worth what has been appropriated. In the case of appropriations for higher education we have no good measures for the worth, none for the social worth, though the gross figures are impressive and obvious, and there are no measures of the personal enrichments of higher education. How much should be appropriated? The number should be the only arena for dispute. And over the number, we have no fine answers finally. Our best course, then, reflecting on the achievements during the twenty years of the Act, is to establish a further figure, consider how it suits the growing need and aspiration for higher education, judge, where we cannot measure, the personal and social goods of the reauthorization, and be alert to signs to unfairness and discrimination in the administration of the act.

My view, of course, is that Subcommittee should press for a very large figure, as large a number as possible, consonant with support for other federal educational programs and other of our national needs. At the same time, the states should continue their efforts to make higher education even more accessible by reducing its costs and, in great earnestness, the private universities should continue their efforts to enlarge their endowments and, if possible, reduce their tuitions.

In the critical discussions of the reauthorization of the Higher Education Act, there have been two notes which I have found especially troubling. I would like to close by commenting on them.

The first is that Higher Education Act funds have been used in support of students at expensive private universities, as if the Act were being misused to support private universities, even though the Act was initially and in its reauthorizations intended to allow eligible students a choice of their college or university.

The second note is the complaint that too many students are choosing wrong subjects for study and that the nation is not getting the social good it should from the preparations it is helping to support.

On the first note, we know historically how we have come to have a system of private and public higher education. We also know and approve of the principles for maintaining it. It would be politically and socially devisive to act against either the private or the public universities. They challenge and support one another. I hope it will be plain that we should sustain them both.

On the matter of choice—and we hear more and more about choice—our concern is for the development in our nation of the resource of intelligence. We want breadth of cultivated intelligence in our society; we want depth in our intelligence, and we aspire to heightened intelligenece as well. But we do not as a nation require or discipline the distribution of intelligence. Some other countries do. Our way is not to make gates or channels and to prescribe who and how many shall go into each one. Our way is to offer lures for choice, in the prospect of careers and the other goods which might inspire us. Our way has its inefficiencies, and it sometimes has painful social and personal consequences. But it has the great and, fortunately, still affordable merit of nurturing personal responsibilities. It would go against our tradition and our values to establish coercive regimes for the distribution of intelligence.

Such concern as we may have about the choices our students make should therefore not weigh much in the discussions over the reauthorization of the Higher Education Act. Such concern, where it is appropriate at all, is a minor crease in a piece of legislation which clearly enobles us.

Thank you, Mr. Chairman.

Mr. COHEN. Before we can go on, I'd like to note that we have been joined by our Congressman and my dear friend, Jake Pickle of this area, and I'm relieved to know that Jake arrives fresh from Washington, to tell me that he and I don't have to be in conference on Gramm-Rudman until about Tuesday, and the first resolution passed. And that took a great weight off me. I thought they were doing it while I was gone and not protecting your interests.

He's not only been a good friend of mine for all of my days down there, but he was really appropo for this occasion an interpreter of Lyndon Johnson to me.

And if you want a real devious entertainment, you should have Jake describe sometime the rare occasions when he played golf President Johnson, something that he did occasionally that nobody ever knew about.

But Jake is also my next door neighbor, offices are side by side. We find our staff borrowing not cups of sugar but all kinds of other necessities with which other resources positively and he is a supporter of the role of higher education.

Would you like to make a comment, Jake at this point, before we go on?

STATEMENT OF HON. J.J. "JAKE" PICKLE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Mr. PICKLE. That is a dangerous thing to ask a public official.

Congressman Ford, I do appreciate your invitation to come and join you here at the table and to say hello to the panel. And it's a very distinguished group here, and I'm going to be anxious to read your testimony. Congressman Ford said that you've had some outstanding witnesses and some statements made in the cause of higher education, so I'm pleased to be here with you.

Let me just say this to you, Mr. Ford. The conferees did not meet yesterday afternoon, and by the time we learned that, it was too late to come to join you yesterday and I'm sorry that I couldn't. But the thought did cross my mind as you were making your preliminary report, that some 7 years ago, or more, we introduced to Congress and passed a bill called the Impoundment Act. I was the author of that bill.

We were protesting at President Nixon at that time, for taking money that we appropriated, and just at his choice actually impounding it and not spending it. I was author of that bill and when it got to the full committee, it became the Budget Referral and Impoundment Act.

So now that we're involved in the Gramm-Rudman find myself back in part of the same controversy we had years ago. But the interesting thing to recall was that I got into it because Bill Ford says, why don't you sponsor that bill, and I did as much at his insistence as much as anybody's. You talking about a believable southerner advancing the cause of education, but it was a good measure and now we are challenged again, Bill, to try to preserve the principle that we were trying to expound back then so now that you've had your conference, I'll look forward to working with you next week.

Thank you very much.

Mr. FORD. Thank you, Jake. You still are the legislator that I want on my side any time I can get you.

Mr. COHEN. OK. Our next witness, Mr. Chairman, is Joe L. McCormick, of the Texas Guaranteed Student Loan Corp.

So, Mr. McCormick, please proceed.

STATEMENT OF JOE L. McCORMICK, EXECUTIVE DIRECTOR, TEXAS GUARANTEED STUDENT LOAN CORP.

Mr. McCORMICK. Thank you, Mr. Secretary.

I appreciate very much the opportunity, Chairman Ford, to appear and to share a few words with you today concerning the celebration of the 20th anniversary of the signing of the Higher Education Act of 1965. I feel extremely humble and inadequate to follow such distinguished speakers, particularly with the eloquence and the expertise that they have brought to this process over these past 20 years.

I'm not capable, nor would I even attempt to address some of the issues here today from that of a policymaker, but I am in a sense, a product of what you have done. I received a national direct student loan; I received a guaranteed student loan; and I received an education beyond high school.

And I do have a rare opportunity afforded me, as I was sitting here thinking about it; I have a large number of the principal players here that I can publicly and personally thank for the action that you took in 1965 so that I didn't have to stay on the plains of west Texas following a plow around all day, and I sincerely appreciate that.

But as I said, I can't speak to you from the lofty plain of policy, but I can speak to you from front line of a financial aid administrator who has tried to carry out the wishes of that act and the intent of Congress. And, to some extent, when we found it absolutely necessary, the direction of the Department of Education, but hopefully always in the spirit of trying to serve the students that that act was intended for.

This is truly a cause for celebration here on this 20th anniversary and I was deeply excited when President Hardesty invited us to participate in this because I would just share with you in the some 17 years that I've been a financial aid administrator and now an administrator of the Guaranteed Student Loan Program. You can't put into words, and you cannot put into even ceremonies or events commemorating such an act, what it means to a black mother from Itta Bena, MS, who's sitting in your office and being explained for the first time in her life, that her daughter can actually go to college, and she did not know that.

And to see the tears of joy that stream down her face realizing that that daughter of hers will be the first generation to receive the higher education.

Or a young man who falls out from behind a cafeteria line and said, Mr. McCormick, do you remember me? Said, I took a culinary arts course when you were at Oklahoma State Tech. I now manage this cafeteria, and if I hadn't got financial aid from you back then in Oklahoma, I wouldn't have this job today.

Or what it means to a mother of three kids who's a single parent and who is trying to scrape by with a secretarial wage and now she has a masters degree and works for General Electric and makes a livable wage, and the joy on her face, knowing that she is not dependent on anyone, and that she is a taxpayer and a producer in this society.

That is the true reality of the Higher Education Act of 1965, that we somehow do not articulate very well in the decisions that we make regarding policy. I am extremely encouraged by hearing such words as access and choice and the remarks of Chairman Ford when he said equal educational opportunity.

The fear of budget deficits and national debt have almost made those words silent in many of the meetings that I attend across the country, and people are almost intimidated to ask the question, as Dr. Lieb did: Well, how much is enough?

And I applaud Chairman Ford and the work of his subcommittee in their approach to reauthorization, that, hopefully, maybe by the time this process is over, reauthorization is more than just reauthorization, but it is a reaffirmation and a rededication of the proper role of the Federal Government in providing postsecondary opportunities to our young people.

And I hope, in doing that, Congress will address certain concerns that many of us have. The direction of our current administration to have a Federal role that is less, not more—and let's make no mistake about it. Even though the words of Secretary Kimberling were very encouraging, he does not make the final decision of that administration on the course or the direction that they will take.

And their drive to balance the budget and to legislate by regulation what they cannot get legislated by law. And if you'll look at some of the regulations that they are proposing and have proposed on us, there is definitely the trend, there is definitely the direction of less, and not more Federal involvement. And I hope Congress can reaffirm the fundamental soundness of the title IV student assistance programs in this reauthorization process and change that direction.

Second, I appreciate Mr. Clohan's remarks about addressing the imbalance between loans and grants. I represent a guarantee agency, but I am not here in the business of trying to make more loans. I am here, hopefully, to try to provide access when all forms of grant assistance, scholarships, student employment have run out. The statistics have been mentioned that 10 years ago, 42 percent of the total aid package of a student was in the form of gift aid, and now it's less than 20 percent.

I would share with you some statistics that Mr. Allen Erwin, the director of financial aid at Southwest Texas State, here, gave to me today that reemphasize that. Of the total of over $14 million that was made available to students in the 1984-85 year at Southwest Texas State, over half, $7.2 million of that was in the form of loans.

Only $3.3 million of it was in the form of grant aid. That is a serious imbalance and we need to be about the business of adding to the grant side and addressing that imbalance. The charge has been made by the Secretary of Education that too many young people from families of over $100,000 receive guaranteed student loans. In the 1984-85 year in the Texas Guaranteed Student Loan Program, we had over 103,000 loans made to students. Nine loans were made to families with incomes in excess of $100,000 and of those nine families, there were 11 children in the family. There were at least two in college, and they were eligible for that guaranteed student loan.

And so I think we need to put things in their proper perspective as we look at the reauthorization.

Third, there needs to be a greater simplification of these programs. And we get too hung up and I agree with Dr. Lieb, on the mechanics of these programs and too involved in the administrative burden to administer these programs and we need to come to the table and work out more simplistic ways to deliver the student aid that is available here. The overregulation, really, of the Department of Education, is forcing the Congress to be more specific in its legislation instead of being more broad, and allowing those of us who administer these programs to interpret.

And brought to mind, again, as so eloquently stated by Dr. Lieb, is just how much is enough. We can sit here and talk until we're blue in the face about all the different ways that you can construct a guaranteed student loan program, but the bottom line is, the American people have to make a decision through their elected officials as to how much money they are willing to invest in the future of the young people in this country.

And I would like to close my remarks, I think, very appropriately, sharing with you some words of President Lyndon Johnson, when he said:

> But none of what we have achieved is self-executed. Laws that require equal justice must be enforced. Programs must be funded. An education act cannot teach a single child, a housing act cannot give shelter to a single family, nor can a manpower act provide a single job, nor can a civil rights act give one human being the dignity and respect he deserves. The real test of our commitment is whether we are willing to achieve over a period of years what those acts only promise.

Thank you, Mr. Chairman.

[The prepared statement of Joe L. McCormick follows:]

PREPARED STATEMENT OF JOE. L. MCCORMICK, EXECUTIVE DIRECTOR, TEXAS GUARANTEED STUDENT LOAN CORPORATION

The occasion of the 20th Anniversary of the signing of the Higher Education Act marks a milestone in one of the most significant educational legislative events in American history. It is most timely in view of the current Administration's attitude toward federal student financial aid programs and the pending reauthorization of the Act itself, which is perhaps one of the most important issues presently facing the country. As Congress debates the federal future in postsecondary education, it is most appropriate to recall the words of President Lyndon B. Johnson.

"But none of what we have achieved is self-executed. Laws that require equal justice must be enforced. Programs must be funded. An education act cannot teach a single child, a housing act cannot give shelter to a single family, nor can a manpower act provide a single job, nor can a civil rights act give one human being the dignity and respect he deserves. The real test of our commitment is whether we are willing to achieve over a period of years what those acts only promise."

ROLE OF THE FEDERAL GOVERNMENT IN THE FINANCING OF POSTSECONDARY EDUCATION

This issue has generated as much heated discussion among educators, politicians, bureaucrats and other interested parties as any in the past quarter of a century. My view of the matter is simple; the role of the federal government in the financing of American postsecondary education is basic and critical to that endeavor. Prior to 1945, postsecondary education was primarily available to an elite minority composed of the intellectually gifted and or those able to pay its costs. This has changed dramatically in terms of both philosophy and practice. Beginning with the G.I. Bill of Rights and continuing with the Higher Education Act of 1965, the federal contribution to postsecondary financing has been largely responsible for this change, and it has changed the basic postsecondary attendance pattern in this country. Its continuing support is critical to the future of American postsecondary education.

While the federal government does not account for the majority of postsecondary revenues, its contribution is significant. More importantly, however, it provides the foundation and national perspective upon which other efforts are built. Only the federal government has the resources, revenues and ability to effectively address the most pressing postsecondary education issue of the day—the assurance of equal educational opportunity through the provision of equal postsecondary access for all who want and can profit from it—on a consistent and national basis. Providing equity in terms of access and choice for all citizens in a diverse system of postsecondary learning is a role only the federal government can perform.

The most direct and pervasive tool that the federal government has used to meet its obligation in postsecondary financing has been financial assistance to students. In 1984-85, federal funds awarded to college, university, and vocational-technical students will total approximately $14.2 billion (The College Board, 1985). While debate has raged for years with regard to the form that the federal contribution to postsecondary education should take (ranging from direct aid to institutions to tax credit for parents), the clear and consistent choice has been the provision of financial assistance directly to students.

This choice is logical within the framework of our society. We rely heavily on the freedom of the individual. Providing funds directly to the student consumer allows that individual to make decisions about the postsecondary institution that best meets his/her needs. It also respects the student's ability to make that choice on a sound basis. The emphasis is on the individual and his or her choices, not on institutions, governments or other entities. In addition, such a focus may indirectly (or directly) facilitate the increased efficiency of postsecondary institutions. They must now compete for students in a real sense, so their programs and services must be tailored to societal demands and individual requirements.

Federal participation in postsecondary financing has reflected the alteration of a national philosophical approach to postsecondary education—from the education of a selective few to the more democratic, broader based provision of postsecondary education to all who want and can benefit from it. The Higher Education Act of 1965 was a major step in the process of providing student financial aid directly to students. This innovation has financed or helped to finance postsecondary education for literally millions of students who may not otherwise have been able to acquire it. The following table indicates the significance of that endeavor (College Board, 1985):

Federal aid awarded to postsecondary students in current dollars

	Millions
1980-81	14,164
1981-82	14,785
1982-83 (estimated)	12,999
1983-84 (estimated)	13,825
1984-85 (estimated)	14,148

The government's outlay in this area has not been an expense, but rather an investment in human capital and the future, This investment has paid and is paying dramatic dividends in terms of its impact on society and individuals. It is difficult to argue that a broadly educated populace does not yield significant benefits for American society, ranging from enhanced revenues through increased income taxes from individuals who enjoy their higher earnings, to better educated personnel for the national defense effort, to a healthier national economy as a whole. And, as Thomas Jefferson stated: "An educated people is the best guardian of democracy. On the individual level, millions of lives have been altered and enriched through the provision of these funds. Individual examples of this fact abound in every institutional financial aid office in the country. Consequently, the federal government's role in the financing of postsecondary education clearly seems basic and firmly established. And the chosen direction of providing aid to students instead of institutions or in some other form has been the most effective and efficient approach.

In fact, this approach undergirds the philosophical position of educating the masses beyond high school according to individual interests and needs and, as such, it represents a uniquely democratic experiment in Western Civilization.

At the present time this effort is under direct attack. There is a strong attempt to alter the role of the federal government in postsecondary financing to less, rather than more, participation. This is diametrically opposed to a course set over the past forty, and especially the last twenty, years. Though put forth in the spirit of deficit reduction, balanced budgets, and sound fiscal policy, it is an ill considered, shortsighted attempt that will prove itself imprudent in the long run. One must be fearful of the effect on society, the economy and individual Americans if it is successful.

A PARTNERSHIP

It has been said often, and correctly, that the provision and delivery of student aid is a partnership composed of postsecondary institutions, the private sector, states, and the federal government. There has been much dialogue about the respective roles of each constituent. I have indicated earlier than the role of the federal government is basic and most pervasive. It provides (or ought to provide) a foundation, an overall perspective, and a consistent thrust in terms of equal opportunity and access. This permeates the entire system, and so it is interwoven with the roles of the other partners in the process.

Unfortunately, the partnership has steadily deteriorated as the regulatory process has expanded in conjunction with the Department of Education's evolving perception of itself as proprietor rather than major partner. This is unfortunate, because if the process is to work the combined and supportive efforts of all the partners will be required.

Part of the current problem with American student financial aid is its fragmentation. Historically, it has proliferated in various ways in various places. The federal government processes Pell Grants programs, institutions administer campus-based programs, states administer their own grant and scholarship programs as well as the Guaranteed Student Loan (GSL) and Parent Loan (PLUS) programs. Private need analysis services perform a role by estimating financial need for students. The result is a complex, fragmented, and somewhat confused delivery system for student financial aid. There is a real need for more standardization and uniformity in the system. However, this has traditionally been resisted by almost all in the higher education community because of their perceived needs for institutionally-based flexibility.

It would seem that the states could perform a more active and productive role with regard to the coordination of this system. States stand between the federal government, with its national perspective, and individual postsecondary institutions with their diverse perspectives and objectives. Consequently, states are in a singular position to respond to the national purpose, their own unique needs, and individual institutional perspectives.

Specifically, states can help reduce the number of partners and complexities in the system by assuming and consolidating the need analysis, training, and communications functions of the private services. Both the data required and the calculation employed in need analysis could and should be greatly simplified. This particular component could then be a logical function of the states, as would a more active role in coordinating and/or delivering student aid. Standard, state-by-state application/need analysis forms and processes for all types of student aid may be logical. Assurance of consistent and accurate program administration within their borders may also be a state function.

That states can play a productive role in program coordination and delivery has been demonstrated through the success of the SSIG Program and, most dramatically, the performance of the GSL/PLUS programs after the passage of the 1976 Higher Education Amendments. This capability can be put to better use in the delivery process. The federal government, then, provides the bulk of the funds and the national leadership. The states could provide an intermediary and coordinating function beyond what is presently being performed, and the postsecondary institutions are in the best position to deal with individual students and their own institutional goals.

This would seem to be an effective approach. In order for it to be workable, the federal government would need to become more prescriptive rather than proscriptive with regard to its regulatory oversight. States would have to be given a more active role in delivery and institutions would have to retain their ability to finally resolve delivery problems with individual students.

PROGRAM PURPOSES AND FORM

Federal student aid programs have grown up over a period of years. They have been legislated for a variety of purposes. Historically, these purposes have ranged from national defense, to the war on poverty, to assisting middle and upper income families. Consequently, there are a variety of programs with a variety of purposes, and some of these purposes have shifted with shifting national political and/or economic trends.

However, most authorities would agree that the major purposes for financial aid since 1965 can be described as follows:

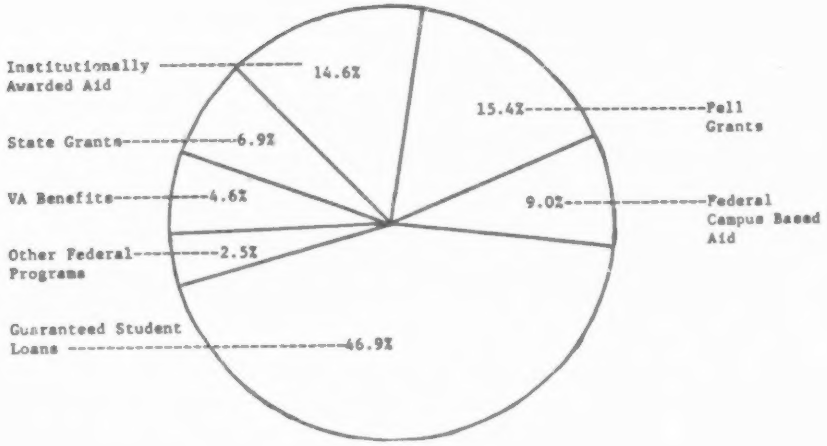
1. *Access*—to provide postsecondary educational opportunity to all those who wish it and can profit from it, regardless of their financial constraints.
2. *Choice*—to provide a student with opportunity to attend a postsecondary institution best suited to his or her unique interests, abilities and/or needs, regardless of cost.
3. *Persistence*—to allow a student to pursue and complete their postsecondary education, regardless of financial constraints.

While current programs do generally address these three purposes, they are somewhat inefficient because of their diverse and proliferated nature. For instance, there is one major loan program, the Guaranteed Student Loan (GSL) Program, and one minor, institutionally based loan program, the National Direct Student Loan (NDSL) Program. There is a major grant program, the Pell Grant Program, and two minor grant programs, the Supplemental Opportunity Grant (SEOG) Program, and the State Student Incentive Grant (SSIG) Program. There is one major work program, the College Work Study (CWS) Program. These programs are delivered in a variety of ways.

It would seem to make sense to consolidate and streamline these programs in the following ways. Collapse NDSL and GSL/PLUS into one loan program. NDSL funds already on hand and to be collected in the future could be retained by institutions and used as revolving loan funds. However, there would be no additional federal capital contribution, and there would be a single loan program funded and operated essentially as the GSL/PLUS programs are currently run. This would be fiscally prudent, less confusing in terms of forms, communication, and procedures, and more efficient in terms of administration. It would save educational institutions the cost of administering and collecting additional NDSL funds. It would also have the advantage of placing all loans under the umbrella of guarantee. All subsidized loans should then be awarded on the basis of need. Nonsubsidized loans would be made to those not qualifying on that basis.

An analysis by the Texas Guaranteed Student Loan Corporation indicates that there would be no loss of student loan access under this plan, as each GSL/PLUS lender would only have to average fewer than 6 more loans per year to replace the lost NDSL federal capital contribution.

The Pell Grant, SEOG and SSIG Programs should be collapsed into one grant program, but it should be funded at a much higher level than that afforded to the current combination of programs. There is a substantial imbalance in the proportion of loans and grants currently being awarded, as the following table indicates (The College Board, 1985):



This imbalance is due in part to a shortage of grant funds and, in part, to convenience borrowing by students responding to cheap marketing gimmicks by some lenders. It must be addressed, as it has serious ramifications for individual student debt burdens as well as the administrative cost of loan programs. It may also have ramifications for the motivation of students matriculating to postsecondary education. The prospect of a substantial debt burden may well deter many from doing so.

In accelerating the funding of a single, major grant program, there would also be an opportunity to more adequately distribute funds in relation to actual costs. For example, if a student were eligible for a $1,000 grant at a school with costs totaling $5,000, the same student could be eligible for a $2,000 grant at a school with costs totaling $10,000. It seems logical, in terms of the choice objective, that aid awarded should consistently bear some proportional relationship to costs incurred.

Such program consolidation and streamlining would go a long way toward reducing forms, redundant process, and confusion to the student consumer. It would also enable the programs to be more effectively targeted so as to better meet their objectives. And administrative costs should be reduced in several areas. States, as previously suggested, could serve a coordinating role, based on program objectives and target populations in the postsecondary institutions within their jurisdictions.

All of the programs ought to be available on the basis of entitlement and should be funded accordingly. Together with the suggestions offered above, this would greatly simplify the setting and addressing of program objectives, enhance public understanding of the programs, and positively impact program simplification, an issue which is in critical need of attention.

THE STUDENT AID DELIVERY SYSTEM

Another major problem with the current student aid system is the mass of program rules and regulations. Consolidation of programs would help this if it is accompanied by a less restrictive Department of Education attitude which translates into fewer regulatory constraints. Currently, this is not the case. more restriction, coupled with an almost clinical paranoia about "fraud and abuse", is confounding the administration of the programs and related delivery system.

A major problem with the current student financial aid system is its delivery component. Because the programs have been diverse and fragmented, the delivery system has been pluralistic and complex. The system itself tends to add to the confusion in interpreting program purpose(s) and the targeting of aid. Moreover, the system is confusing and complex to the student consumer and may, to some extent, deter applicants.

Financial aid is delivered in at least three major ways: (1) the federal government delivers the Pell Grant; (2) campus based programs are delivered through institutions; and (3) GSL/PLUS and some grant/scholarship funds are delivered at the state level. Applications vary with these approaches. Indeed, applications may vary from institution to institution. Information tends to become confused, and coordination is frequently a problem. One authority has called it " . . . . a complicated application and delivery system that has far too many problems to be understood readily by parents and student. . . . " (Martin, 1980, p. 92). Another authority (Doyle, 1985), analyzing the system as a whole, put it this way:

"Today's system is costly, complex and cumbersome. Few understand how it works. Moreover, defaults and abuse jeopardize the system's financial and intellectual integrity. Together, these traits put the system at risk. Most important, the system's purposes are no longer clear. Its original objective was commendable—access for the poor. The second commendable objective was choice among and between public and private institutions. But as analyst Chester E. Finn, Jr., now Assistant Secretary of Education for Education Research and Improvement has wryly observed, a third objective has crept into the system: comfort".

Dopyle's assessment seems particularly timely and astute. Few participants in the financial aid process are "comfortable" with how it is working. Clearly, the system is complicated and confusing. It needs to be simplified, brought into the 20th century. The technology exists to do this; the reasons for not doing it are mainly territorial and political. These need to be addressed, as the problems in student aid delivery must be dealt with objectively.

What should be done to make the student aid process and delivery system more simple and effective? Constituencies in the student aid community have been debating this issue for some time with limited success. This is not surprising, as there are many partners in the process, each with their own perspective and interests. However, it seems evident that the following would greatly enhance the system:

1. There should be only one application for all forms of federal student aid. The argument about this has raged for years. The problem has been in the perception of the various constituencies, where data requirements often vary. However, minimum data requirements (not preferences) are for all forms of federal financial aid can and should be determined. These minimum requirements should be reflected on the application, along with a minumum of required instructions. The application should then be mandated as a requirement for all federal student aid.

2. There should be one need analysis system for all forms of federal financial aid and all federal aid applicants should undergo need analysis. It should be closely tied to the federal income tax form. This is similar to the application issue. There are varying perceptions with regard to what a need analysis should reflect (i.e. rationing of funds vs. "ability to pay"). This issue should be settled. In fact, it is possible to both assess "ability to pay" and to ration funds with the same system. These two concepts should be consciously dealt with. The system should require onl;y the minimal amount of data to perform the analysis, and need analysis should be applied to all federal financial aid programs in the interest of access and program funding.

3. Student need analysis should be processed centrally or through the states. Private need analysis firms represent an unnecessary cost, a duplication of effort, and a lack of control that the system can do without. It would be more efficient and effective to delete their role in the delivery process.

4. Automation should be a major concern in the delivery process. While some progress has been made in this area, it has been limited. In order to deal with the number and complexity of aid issues, increased automation must be a component of the system. Technology exists to permit the transfer of not only dollars, but also data, on an almost instantaneous basis. Technology exists to permit terminal networking for the accessing and manipulation of data files. Technology exists to permit the use of personal computers to effectively support informational and processing needs in financial aid offices and agencies. Yet the application of these technologies seems to be slow in coming to student aid. This must change or the system will become archaic.

5. There should be a more effective system for the planning, reporting and evaluation of the programs. Planning in student aid has traditionally not been a thoughtful, formalized process. Reporting and evaluation have not been timely or effective. For the federal programs, these are the functions of the federal government. Data for these purposes should be clearly defined, kept to a minimum and integrated into a management information database that is utilized on a timely basis. Better defined and implemented planning, reporting and evaluation processes, along with the implementation and use of a state-of-the-art management information system, will greatly enhance the delivery system and the programs in general.

6. There needs to be better quality control for institutional participation. It has been clear that there is a wide variation in institutional administration of federal aid programs. The monitoring of and dealing with problem institutions, in terms of continued participation, has lagged considerably in the past, and stricter scrutiny

with regard to initial institutional participation would be very helpful in ensuring the effective use of funds.

SUMMARY AND CONCLUSIONS

The role of the federal government in postsecondary education financing is basic. It provides the national foundation upon which other efforts may be built. It provides this foundation primarily through financial aid for students.

There are problems in the current aid programs and their related delivery system. These problems have occurred because of the traditional diversity of the programs and the concomitant pluralistic delivery systems attached to them.

It has been suggested that some solutions to these problems involve such things as a realignment of the partnership functions in student aid to include (1) the acknowledgement of the federal government's key role; (2) the delegation of more responsibility for coordination of aid and aid processes to the states; and (3) the reaffirmation of the institution's role in dealing with and resolving problems with individual students. It was also suggested that program consolidation would enhance as well as simplify the delivery process, its forms, and its procedures. The need for increased automation in delivery was stress, along with more effective program planning, reporting, evaluation, and quality control for institutional participation in the programs.

In the following paragraphs, I will make a recommendation with regard to a formalized procedure for delaing with the student aid process in general. However, before doing so, I would point out that for any procedure to be effective, it is of critical importance that the federal government define a national policy for its role in the financing of postsecondary education.

As Congressman Augustus F. Hawkins has stated:

"The single change in government policy that would most benefit higher education would be the establishment of a coherent education policy.

"Right now there is absolutely no national education policy. Instead, over the past four years, the Reagan Administration has pursued a course of action that has undermined the nation's schools, colleges, and universities. A White House policy that has the support of the Congress and that is committed to excellence—a policy that recognizes the benefits to the nation of equal access to colleges and universities regardless of race, color, national origin or economic status—would, in my viewpoint, most benefit higher education. All students must be given the opportunity to develop the individual talents to the utmost.

"The Administration and the Congress must recognize that the investment in education is as important to the nation's well-being as any policy decision. We cannot compete with other countries by cutting back on educaiton spending, particularly when the basis of this competition is concentrated on the acquisition and use of knowledge.

"A renewal of the federal government's commitment and an emphasis on the benefits of higher education instead of the costs would greatly benefit the nation".

While we have discussed this role in terms of some program objectives that have evolved over a period of time, a national policy to guide the setting of objectives and the related program funding has never been directly and totally addressed. In the face of reauthorization now would be an opportune time to more clearly define national policy, and the related federal role, in the financing of postsecondary education. A major policy issue would logically have to be how much of our federal treasury can or should be invested in postsecondary education? This question should receive the same kind of searching consideration as is given to the issue of national defense funding. In the long term, it may be just as important an issue, if not more so.

A recommendation for general improvement in the overall student aid process, given a clearly defined national policy, might be the implementation of a formalized procedure as follows:

1. Define program purposes and objectives. Usually these have been defined erratically and in a short period of time. They have been dramatically influenced by the political and economic variables of the time. While these variables are certainly important and should be considered, they sometimes result in expedient, short-term actions. Perhaps in the face of reauthorization, it is time to take the time and make the effort to re-think and re-define the program purposes and objectives within a long-term perspective.
2. Program the purposes and objectives. This again suggests taking a long-term planning approach to the programs and implementing a formalized planning process in order to do it.

3. Legislate the results. When program purposes and objectives are agreed upon and articulated and a plan is formalized for their implementation, legislation needs to be written to reflect them. This may involve creating new programs, consolidating programs or simply revising existing programs.

4. Delivering the program. With the appropriate legislation, a delivery system that would address program purposes and objectives as reflected in the legislation can be defined and implemented. The criteria for the delivery system should include (a) simplicity; (b) clarity of understanding; (c) efficiency; and (d) effectiveness.

5. Monitoring and evaluating. Ongoing monitoring processes should be implemented and consistently maintained in order to ascertain whether or not desired results are being achieved and if strategies and tactics need to be revised. This should be accomplished with data from a timely and effective reporting system. Appropriate data for both the monitoring and evaluation of the programs must be gathered and applied as efficiently as possible. Evaluation data will be used at the end of a given cycle to assess the achievement of program purposes and objectives and to make any needed adjustments in the next planning cycle.

At the current time, the federal government's traditional role in the financing of postsecondary education is being severely threatened. While there is clearly a need to re-think, re-tone, and enhance the programs and their processes to make them as efficient and cost-effective as possible, ther record would seem to suggest that a drastic reduction in the programs would appear unwise in the long-term. The programs have clearly had a profound effect on American society over the past forty years. They have changed the whole pattern of postsecondary attendance. They have dramatically impacted the individual lives of millions of students, and, they have positively contributed to the overall economic and social fabric of American society.

As Congressman William D. Ford, Chairman of the House Subcommittee on Postsecondary Education, put it: "Every penny that we invest in education will, depending on how it's spent and with whom, produce some benefit. Some of us could argue that there is nothing that the federal government invests its money in that pays off as surely and as well. We're not spending money on education, we're investing money in education."

Now is a critical period in determining the future of the federal government's role in the financing of postsecondary education. The programs have been important to the nation in the past, and now is not the time for the federal government to abrogate it's responsibility in this area.

Congressman Ford's recommendations for re-authorization seem to be a good start in the direction of a stong federal commitment to postsecondary education for this country. Indeed, now is the time to review and refurbish the programs and their process and for the federal government to provide strong, continuing leadership in this effort. We must recommit ourselves to our 40 year national effort to make sure that, as President Johnson suggested, every American boy and girl can get "All the education he (or she) can handle." If we do this here today, and if we pursue this commitment in Congress and on our campuses, our nation's future will be far better and brighter.

REFERENCES

1. College Board. Update Trends in student aid: 1980–1984, Washington D.C., 1985.

2. Doyle, D.P. Quoted in Government and Politics, The Chronicle of Higher Education, September 4, 1985.

3. Ford, Rep. W.D. Quoted in Government and Politics, The Chronicle of Higher Education, September 4, 1985.

4. Hawkins, Augustus F. Quoted in Government and Politics, The Chronicle of Higher Education, September 4, 1985.

5. Martin, D.A., Jr. Student Aid and Institutions: The Next Decade, in the Impact of Student Aid on Institutions, New Directions for Institutional Research, No. 25, 1980, Jossey-Boss, inc., San Francisco, p. 92.

Mr. COHEN. Mr. Chairman, I'll allocate myself a few seconds, now. I'd like to introduce four or five points that haven't been discussed.

First, Mr. Kimberling, this morning, talked about 6.9 percent of the GNP going to education, but Mr. Califano and I will tell you that 10.5 percent of the GNP goes to health and what's going to happen in this country if we don't have a better allocation of resources, is we're going to go up to 12 percent for the GNP, if Mr. Califano isn't completely successful in driving down my cost containment health, and we're going to go down to 6 percent for education.

That's the way the situation looks right now if you look at both of these two programs. Now, in my opinion, after studying it carefully, I believe that we need about 8 percent of the GNP for education to do a decent job in the future, and I would hope that we could get down to about 9 to 10 percent of the GNP for health, if we had a proper cost constraint program in this Congress, which the Congress refuses to enact.

And unless Congress enacts a good cost constraint program, and I agree with Mr. Califano, that that ought to be put on the administrative burden of the States rather than the Federal Government. As we proposed originally, you're not going to get enough money for education 5 or 10 years from now, because health costs are going to run the education costs of this country down, down, down.

So I believe that that was one of the reasons why I took the position that health and education ought to stay together in the same cabinet. President Carter overruled me on that. I gave him a long memo which I think is still pertaining, but I'd say that unless—there was one question that Mr. Califano and I were both overruled decisively on the question, but it was greatly overlooked in this company and in the Congress, the interrelationship between health and education benefits.

Now, let me give you a second point. When we devised the Medicare program and the education program for the Kennedy-Johnson administration, we saw them as interrelated. Why? Because Medicare took off the backs of the young people taking care of their parents so they can put more money into taking care of their children to go to college. That was the reason why Medicare was so successful politically, despite the overwhelming opposition of the AMA, because people saw Medicare as a proeducation program.

And what the Johnson administration did was twofold: took off the backs of the American people a major part of the cost of taking care of their parents along with Social Security so they could send more of their girls and their boys to college, and at the same time, give more money for loans and grants. The interrelationship between the health costs and the education costs is sorely overlooked in my opinion in this country, both by Congress, the executive branch, and everybody that pertains to it.

I would like to see a more careful interrelationship because I believe that as the population ages, health costs are going to go up because there are going to be more older people, they will not want to spend as much, especially on the property tax, on elementary and secondary education, and unless some proper allocation is worked out, you're going to find yourselves in the year 2000 or year 2010 with not enough money on education and maybe 50 percent more on health than is necessary for proper health programs.

And I want to say a second point that you have brought out, because I see it, and I'll say this: I'm a dyed-in-the wool Democrat; I've raised my children as Democrats, but I'm going to tell my grand children to become Republicans, and the reason for that is, the more money is spent on education, the more Republicans you make in this country. Sixty percent of college graduates are Republicans. I want my grand children to become Republicans so they can bore from within the Republican Party to make them more liberal. That's the only way I can see in the future, that—[applause]—that we could influence the Republican Party because what the Democrats have done in the last 30 years is make more Republicans.

The work of the whole committee, Mr. Ford, has been the poverty program, the education program, the Medicare program. We made people more affluent. As they've gotten more affluent, they've become Republicans. So I'm going to tell my four grandchildren, don't do what your grandpa did, and become a Democrat; become a Republican because then you can have more political power and more influence.

So, if you want to influence your people in Congress, tell them that what you're doing, Mr. Ford, is making a lot more Republicans.

My next point is this: I don't think we've given enough attention in this discussion to the work-study program. We haven't even mentioned it. Now, when we presented the work-study program to President Johnson, all we had to say, Mr. Pickle, was, this is a modern version of the NYA program. We didn't need to have any more discussion with President Johnson about work-study, than that simple sentence, and I think you'd understand that, too.

I believe that the work-study program is underemphasized in your program, Mr. Ford. I'd put more money, I'd take away some of the money from loans and grants, and put it into the work-study program. Because I believe that there is a strong support in the universities and throughout the country to a work-study program.

And I've been a dean in an education school and I can see tremendous opportunities for work-study. It's much more consistent than grants to make people work for it. And I believe it's good for the student, I believe it's good for the university, and I believe it's good for their future so I wish you'd give a little bit more attention to what I think was the NYA part of the education program.

I don't know what you got in on your allocation for the work-study, but whatever you're going to tell me, I'm for more. [Laughter.]

Mr. Ford. Well, let me point out to you that the first authorization was active in 1966, a bill which authorized $129 million, for this year there's $830 million authorized, but in 1966 we had an appropriation of $99 million. And this year we actually appropriated $600 million.

Actually, strangely enough, and one of the reasons we don't talk about it much, is that that is popular with conservatives, liberals, and everybody and we are able to get increases every time we go to ask for them in work study much easier than we can any other program, so even Mr. Stockman gave us some additional money for work study. And he never gave us anything else.

Mr. Cohen. Taking into account what Mr. Clohan said a few moments ago, $600 million is worth what, about in 1966 terms, less than $300 million, I'd say? Certainly—about $220 million, so that the substantive real increase in work study has in my opinion been very minimal.

I'd like to make one more point, and then our plans are to give everyone here 1 minute discussion on anything that they want to comment on any other colleague.

I wonder whether in your reallocation bill there is sufficient reallocation of unused loan money. I see institutions that don't use all their loan money, and I see black colleges and other developmental colleges that don't have enough money, and why is it not feasible that there can be some, within State or within area reallocation of unused balances so that minority students who can't get sufficient loans can do so when there are unused balances at other primarily white institutions?

So I think that's a matter of further research and investigation. Maybe you've solved that problem but I think it's worth looking into.

Well, now, we have an opportunity to go back and have a minute for anyone. Mr. MacKenzie, do you want to say anything further?

Mr. MACKENZIE. Just briefly. I'd like to say good luck to you, Mr. Chairman, you and your committee and our opportunity to help the disadvantaged, but again, I'd like to say on behalf of 800 or more church-related institutions in this country, please help us to be able to maintain our value system free of control and free of intervention.

Mr. COHEN. Mr. Califano.

Mr. CALIFANO. I would just make one broad point, I think, Mr. Chairman. Most of the focus has been on education related to jobs and employment and access to our society, and I think that's critical. I think that it has been demonstrated that our minds in our young are our greatest resource throughout our history.

But I think we shouldn't overlook that there is a broad and important—there are broad and important aspects of education in terms of our political life in this country, being able to be well-informed on all sides; there are broad and important values in terms of culture, in terms of the spirit, that can be enhanced for those who have the minds and talents to go to college.

And denying that ability to any individual to enrich his or her own life, is in many ways and in human terms, at least as serious a denial as it is to deny them the opportunity to develop a skill for a job. And I don't think we should ever lose sight of that, and what you've got in this Higher Education Act and what Lyndon Johnson was about 20 years ago, was that, too, for every American. That's all.

Mr. COHEN. Mr. Atwell.

Mr. ATWELL. I want to make a point about the separation of powers. I think the Higher Education Act in its 20 year history is a tribute to the separation of powers. Initiated by the executive branch, it has been carried on remarkably over 20 years by congressional leadership except for the all-too-brief tenure or nontenure of Mr. Califano.

But really it has been subsequent Congresses that have carried this on, now under the leadership of Bill Ford. And it would be ironic, indeed, if we reauthorized the Higher Education Act at about the same time we really did major damage to the congressional role in the budget process through the passage of Gramm-Rudman, and I know, Mr. Chairman, that you and Mr. Pickle will feel strongly about that because you've been there through all those years.

But I really think it's a remarkable tribute to how our system of government works that we have had all this congressional leadership for all these years. And we're very grateful.

Mr. COHEN. Representative Delco.

Ms. DELCO. Thank you very much. I'd like to emphasize the point of partnership. I think it's very important to recognize that we cannot afford the luxury in our country of assuming that all States are going to do quote unquote the right thing. We have to recognize that the reason for the emerging Federal role was because people frustrated with the inability to approach their State governments, had to appeal to the Federal Government, and in that appeal, were able to bring the force of numbers and the light of public opinion on some very grave shortcomings in a number of our States.

By the same token, I think the Federal Government has a continuing role in access, in insurance of affirmative action, whatever the new form of that word has to be to make it politically palatable, we have a responsibility for global reflection of education in our country to deal with a global society and a global economy, and I hope that we do that together, and not pit one branch of government or one aspect of government against another, but recognize that the development of our citizens is a responsibility of all of our levels of government and all of our citizens.

Mr. COHEN. Thank you.

All right, Mr. Clohan, you're next.

Mr. CLOHAN. Yes, Secretary Cohen, I appreciate the fact that you mentioned Al Quie earlier. Governor Quie hired me and brought me to the committee and for the short time I had to work with him, he was a tremendously great man and a very good instructor.

He had a saying that he used quite often. As a matter of fact, it was on the wall of the committee, that said "give a person a fish and he'll eat for a day; teach him how to fish, and he'll eat for the rest of his life."

Many people use that saying to discourage any type of Federal programs because they would say that, in fact, you were not teaching them how to fish; you were just providing them day-to-day maintenance, and I think he would feel, and I know that Chairman Ford and others on the current subcommittee believe that teaching them how to fish requires money, and education enables people, as Secretary Califano mentioned, enables them to work in a society, and that we need to continually emphasize the point that Federal dollars, State dollars provided for education, is an investment in the future which eventually will enable society to deal with the very difficult problems that we have.

Mr. COHEN. Dr. Lieb.

Dr. LIEB. I was very moved by Mr. McCormick's saying that we should not merely support the reauthorization but reaffirm the treatments of the reauthorization bill. I'm struck as well by a remark of Mr. Califano and Ms. Delco. Our support for higher education has directed itself mainly to well-structured programs in colleges and universities, and typically these have been programs for young or younger persons conducted during the day.

The next quarter of a century is going to see enormous development of what is often called, life-long learning, a learning in many different locales offered to many different and mixed audiences.

I think Congressman Ford, that when you've been successful in securing ample funds in connection with the current legislation, it would be wonderful for your committee to occupy itself with issues about support for continuing education, and I would be very happy to call upon my colleagues to help you.

Mr. Cohen. Thank you.

Mr. McCormick.

Mr. McCormick. Thank you, Secretary Cohen. I have two quick points. One, I would like to agree with you, sir, that there needs to be some changes to the way that the funds are allocated to the several States and particularly down to the institutional level.

I think, if you look at the current reauthorization bill, you'll see that there is a serious attempt to do just that and to eliminate the old what we call State allotment formulas—and to provide for a more reasonable distribution of those dollars.

I would quickly point out that there are ways, even under the current State allotment formula that if the Department of Education simply had some people over there who knew what they were doing, they could reallocate funds within the several States and address some of the concern you have.

Second, in college work-study, I couldn't agree with you more that we need to expand in that area. For example, there's a very large segment of schools in the country that do not have the same participation level in college work study proprietary schools. There's nothing magical about saying that a public institution can produce payment work study and a proprietary school can't.

And I think you could reexamine not only the level of funding, but the level of participation on the part of all types of postsecondary institutions.

Thank you.

Mr. Cohen. Mr. Califano, did you want to say something?

Mr. Califano. I just wanted to say, Mr. Chairman, I've been one of those whose been fortunate enough to be not just on a podium with you, but in the trenches, and I think in terms of all the comments today, and everything I've ever seen, this country is fortunate that this bill, and so many other education bills are under your guidance as they go through the Congress because for 21 years, you've been an extraordinary force for the world of education and if anyone is going to get the balance tilted a little bit more toward education, as Secretary Cohen suggests, you're the one that's going to do it for this Nation. [Applause.]

Mr. Cohen. I would like to close our part of the discussion, since both Mr. Pickle is here and Mr. Ford is here, to discuss a point that relates to both of their responsibilities.

And it's a demographic matter. What's going to happen in the next 25 years with the fertility rate dropping, we're going to have relatively fewer children in this country and more aged people. So that about 20 or 25 years from now, instead of 11 percent of the population being aged, which Mr. Pickle knows very well, having been chairman of the Social Security Subcommittee of the Ways and Means Committee, we're going to have something like 17 or 18 percent of the population so we're going to have the proportion of children going down and the proportion of aged going up.

Now, what is the significance of that to education? Older people balk with regard to the increase in property taxes for the support of elementary and secondary education, and they even balk with regard to additional State funds, many times, with regard to other or higher types of education. I see the problem over the next 25 years of introducing a much different kind of examination of the interrelationship here because I see the older people bucking the increased allocation of taxes for this purpose, and I see younger people frustrated about wanting to pay more taxes.

In fact, the predominant thing, I think now, that exists is about 40 percent of the young people don't have any confidence in Congress or the future of the country or anything because they believe that it ain't going to be here 30 or 40 years from now.

I think we have a terribly difficult situation beginning to develop, not with regard to your reauthorization right now, but I really think that the next reauthorization that you're going to be faced with, you're going to be faced with the beginnings of a demographic revolution that relates these health costs and these education costs, a drop in the number of children, increasing older people balking more and more against increased property taxes for elementary and secondary education.

Now, why do I say that? Why is that important? You can't have higher education unless a person goes through elementary and secondary education.

The future of higher education begins on having a good elementary and secondary education program in this country, which we do not have. We've got a better higher education program in the United States, as everybody has testified today, than we have an elementary and secondary education because we're not paying our teachers enough to get high quality people. Women graduating from college can get a better job being a secretary or a nurse or a stewardess on an airline, than they can being a teacher in an elementary or secondary school at the present time.

And that means, in the course of the next 10 or 20 years, a continued breakdown in the quality of elementary and secondary education. So, Mr. Chairman, what I am advocating, some method that the interrelationship between elementary and secondary, higher education, medical costs, and education costs be looked at in terms of this demographic revolution in a much broader way, because maybe I won't be here, maybe you will be—I think Mr. Pickle is going to be here—but I think somebody in the year 2000 is going to be faced with such a difficult question that unless we are prepared in the next 10 or 15 years to reexamine all this on a quite different basis than anybody has done, we're going to leave my grandchildren with an education and a health program that'll be second rate in the United States.

That's what I'm worried about.

Mr. FORD. Wilbur, I'd like to share with you some demographics that occurred to me rather quickly. And I want to talk a little bit about the point that Bill Clohan raised and Joe McCormick.

There couldn't be a more appropriate place to realize the dramatic demographic changes that are taking place, than here, in

Texas. I looked recently at some projections. We already know what's been happening because we now have computerized census. And if you think of education, as someone has mentioned, as being primarily focused on a traditional 4-year college like this one, you're making a mistake.

Because we're talking about 6,000 institutions across the country, almost a third of them don't fit the mold of what we considered 20 years ago to be a traditional college with a traditional college education. In our State of Michigan, Wilbur, between 1970 and the year 2000, which is only 15 years down the road, there will be 32 percent fewer people in the age of 18 to 22, the normal undergraduate attendance age of years gone by.

In Texas there will be a 52-percent increase at the same time. In the State of New York, they will lose 51 percent of the people that age by 2000. And that reinforces with me the idea that there's a national concern that's involved here, that's beyond the States because it's a very dramatic shift. We look with some envy on the Sun Belt States taking so many of our best and brightest young people.

The fact is they are getting all kinds of young people; and if you look at Texas, you also see something very interesting. By the year 2000, 45 percent of all of the school age children in elementary or secondary school, or available for school in this State, will be people we call minorities. Hispanic, black, and other groups that we characterize as minorities will make up 45 percent of the entire school age population of this State in less than 15 years.

Now, if you look nationally at those figures, you'll see that 55 percent of all Hispanics in this country are presently under the age of 18; about 33 percent of all blacks in this country are under 18.

And only 25 percent of the white population is under 18, and so that's one of the considerations that the committee has had in looking at where these people are going to have to turn for education. And now we get more and more women, we are renewing, as Joe suggested, a concern that was expressed by President Johnson and others at that time, that now we'll probably see a greater urgency coming at us from the people who are least likely to be prepared for and have an opportunity for the kind of education that they are going to need when they move gradually from being the minority in our institutions to becoming the majority.

Finally, with respect to the traditional college student, they don't exist any more. There isn't any stereotype of a traditional college student. In 1976, the report from this committee started out saying, looking at what's been happening, we believe that in the next decade college students will not be as young or as affluent or as well prepared as they were before and indeed they won't be as much "he" as they were before, and indeed, that's already happened. In total number of people attending postsecondary education today, there are more people beyond the age of 22 now pursuing some form of educational training in programs that we support, and without the help of these programs.

In full-time equivalent attendance at institutions of postsecondary education, it's almost 50/50 at the moment. There are still slightly more so-called traditional students who are full-time students. If you take the part-time students into account, of course, they are already outnumbered. But very rapidly within the next few years, its going to reach the point where the number of people pursuing postsecondary education who are not what we have historically referred to as traditional college students will be the majority we have to deal with.

Mr. Clohan touched on that and so did Joe McCormick. Bill touched on it in one way. It's not difficult when you come to a beautiful campus like this and look at what I would describe what my ideal of 20 years ago of a typical American postsecondary education institution was supposed to be. It's easy to fall into the trap of failing to realize that in our State, Wilbur, at the same time that our young people are leaving in very large numbers, our college attendance is up. Every one of our schools in southeastern Michigan, with the exception of the University of Michigan because of costs, demonstrated this year, after 5 years of the most severe recession we've had since the Great Depression, an increase in the number of people attending. But they aren't young people coming out of high school. They are former factory workers looking for a way to get skills to become productive again.

They are displaced homemakers. Women, in ever larger numbers, are becoming heads of households with children to support. They can't do it frying hamburgers and cleaning tables. They can't raise a family that way. They want some kind of educational opportunity.

For that and a lot of other reasons, we put more emphasis than some of the traditionalists are comfortable with on what you might call nontraditional types of education. We try to stay away from using the "adult" terminology because we get the Appropriations Committee confused. We have adult education in high school. They give us the money for that.

And then we come back for adult education at the college level and they say, we already gave you money for adults. So we can't even use that terminology anymore without causing confusion. But the idea of continuing education is not a new thing to those of us in the profession.

We've been encouraged for a decade to participate in continuing education, and we know if we don't do it, we'd become obsolete. But it's no longer a problem just for college-educated or professional people to maintain an opportunity for continuing education because I confront constantly a constituency where tens of thousands of very well-paid industrial jobs have moved to overseas locations. The job didn't actually move but we're buying things from over there instead of from here, and the need for American production has dropped.

These people, many of them in middle age, still have families to support. They are suddenly wrenched from being able to support them and look forward to being able to do that throughout their productive years. They're suddenly thrown out without skills. They're coming back to our schools.

Now, it's also interesting to note what we're doing with minorities. We actually, in the last 5 years, have fallen back on the gains we were making in minorities participating in postsecondary education—not just college education but all postsecondary education. We're losing ground. The high cost is driving the very people that we're going to need the most to respond to these demographic changes, further and further away from their goal. And indeed, you know, the University of Michigan has done everything possible, and they just can't keep up.

And in fact, if you look now, there's one statistic that's really very telling. The community college phenomena is perhaps the newest phenomena in postsecondary education and the most rapidly growing. Sixty-two percent of all Hispanics in this country who are getting any kind of education beyond high school level are in community colleges.

Almost 50 percent of all blacks who are getting any kind of postsecondary education are in community colleges. There's nothing wrong with community colleges; they serve a very fine purpose. They have become more and more job-skill oriented instead of just prep schools for other colleges. But at the same time, what that tells us is that the kind of erosion that Joe was talking about and others have mentioned here, is putting more and more pressure on the people at the bottom end of the economic scale and they are opting more and more for the cheapest available formal training they can get, and that happens to be universally across the country, the community colleges.

They are not in community colleges by those proportions because of any educational deficiency or for any lack of wanting to aspire to other things. Economics, just as you recognized 20 years ago, is now playing a bigger part in screening out the people who, whether they are classified by race, or sex as minorities, or whether they just come from a family with a lack of family college background, where they start out as disadvantaged. And I think the word "disadvantaged" is a little better. Because some people get nervous when you talk about minorities.

But if you talk about all of the people who start out disadvantaged trying to make their way in life, we will find that economics, once again, as it was 20 years ago, is screening them out of the best opportunities and screening them out of the sustained support that's likely to elevate them very much in life. And we're very worried about that.

And so a lot of the adjustments that have been made, and these are bipartisan adjustments. This concern is not a liberal Democrat's concern or a conservative Republican's concern, but both. There's virtually a unanimous feeling on the committee and has been for some time, that we have to respond within the limitations we have to these very harsh realities and also the frustration of knowing we're not going to be able to solve the problem.

I've come after all these years to become a gradualist and some people get upset about that. There was a time when I said, well, if you can't solve the whole problem, don't try. The President said, shortly after he was elected, look at all the money we've spent on education and we still have problems in education. My answer to that is, my God, where would we be if we hadn't spent all this money in the last 20 years on education.

And we have people looking at the negatives, and they say, don't tell me about all these problems of these people that don't have an adequate education. Look at how much money we spent. You said it would work. We said it would work 20 years ago, if you'd give us enough money to reach all the people that should be reached. We never have done that, and most of the populations that we select out to give aid to we're lucky if we hit 25 percent.

You know that with the wonderful program of Head Start, which nobody, not even this administration opposes, we've never hit more than 10 percent of the kids that should have had Head Start. We now know, some 20 years later, that the kids who did get into Head Start are more likely to be working or going to school than the ones who didn't, who came from their same kind of background of disadvantages.

We know these programs work, but the frustration is that the American people have lost all confidence. They only want to know, how much have you spent. And they don't want to hear how much maybe we should have spent. And if there's been one great weakness in the congressional commitment to education, it's been that we make the promise with the authorization, and then when it gets a little bit tight, we cut back on the money and there isn't a single program that's authorized under this legislation that will serve all of the people that should be served by that program and would benefit and benefit us as a country by being served.

Those are the tough realities that we're dealing with, but there is concern that we're giving more attention to nontraditional education than some people would like. You know the types that we refer to as the ivory tower intellectuals, a Secretary who says to us that the only proper education that people should aspire to is what he refers to as a traditional liberal arts education. I'm not sure that I understand what that is.

He sometimes gives me the impression that there hasn't been anything worth reading written in the last 500 years because it has to be that old to be a classic. We need people to be able to function in today's world. We will require most of the skilled workers in this country, whether they are professionals or just skilled workers in service jobs or in industry, to be retrained on the average of every 5 years.

How can we do that? Now, those problems are all weighing very heavily on us and if Jake and I could write the check, there'd be money to take care of them. But it's not going to be and we can't blame anybody for that. We're in a mess, and we have to work out of it the best way we can.

Now, this is the last of all of the hearings on reauthorization, and I should tell you that we have, across the country, heard from hundreds—not dozens but hundreds of people—from students and college presidents to association heads and the rest, and the gentlelady summed up what we've been hearing from people of all different kinds of perspectives on the problem.

We think we can identify the kernel of the philosophical adjustments we have to make and the directions we have to go. We are frustrated by being bogged down in the minutiae of the detail of how do you get from here to there with each specific program, and that's unquestionably the way it's going to be.

If we can do as Joe McCormick said, protect the existing programs, improve them and protect the rights of the people who need those programs, and at the same time, have the Congress once again go on record and say to the American people, that we believe that the investment in higher education is so important that it is not a priority, but a primary priority.

Nobody at the Pentagon will argue with me that we aren't hurting the defense effort when the dropout rate goes up in our American high schools. They all recognize that. And none of them would quarrel with the idea that, as we screen out through economics more and more people from basic postsecondary education, we're giving them fewer and fewer of the kind of people they are going to need to operate the sophisticated defense system of this country.

And they are not our enemies. We are not fighting with the Defense Department for money. We are fighting with every other program in the Federal Government for money because of the policy of this administration and the Congress in the last 5 years of giving too much money away with tax cuts and spending too much money in some other areas has led us into a position where we now no longer have the financial opportunity to make choices that anybody knows are reasonable.

And with that, I'll yield to my senior colleague who is the host Congressman in this area to close out the hearing.

Mr. PICKLE. Well, you're very kind, Mr. Ford. I don't know whether I want to accept that seniority that you've given me, but I am pleased to be here. I hesitate to make remarks at this time because I have not been present for all of the comments.

And my remarks may not be in orientation of the gentlemen in attendance. But I'm willing to add this. As one who voted for the Higher Education Act and was here for signing, who voted for the Elementary and Secondary Education Act who was there at the LBJ Ranch for the signing, and who supported all the policy programs and educational programs that they had, I'm very proud that I was and I said in a telegram that I sent to Robert Hardesty, yesterday, I'm even more proud today than I was the day we voted for those programs.

I think this Nation would have had a recession or a depression or a revolution, had not the Federal Government stepped in years ago to give direct help in the field of education. There are very few voices in the Nation that says that we should not have done it and that it was a mistake. Indeed, it has maintained our standard of living as the best in all the world and I think that's because of the education effort.

But I think we've got to also, even at this hearing, consider the fact that today, we have a problem on a national basis that is just as broad as in this single field of education. We're engaged in a legislative budgetary confrontation in Washington to determine how can we get our deficit down and get our economy in better shape.

It's not ours today to determine whether, as Mr. Ford said, we voted too high a tax in 1981, which we may have done, and then turned around and raised the defense spending so very high. It may have been that we have overspent in categories, generally. It may be that we'll find that our entitlements have steadily and inexorably grown to higher and higher amounts and somehow we've got to control them.

I don't know what the answer is. I know we cannot lessen our commitment for our assistance in the educational field, but I think that the American people are saying to the Congress, at this particular time, you must somehow get your deficit down and get spending in better control.

Now, that is the message I'm hearing, and I believe other Congressmen are hearing the same thing. Now, we've got to make some choices and that's why we are in such a bitter confrontation in the so-called Gramm-Rudman controversy in Washington.

On the other hand, the other body would make only one exception for humanitarian assistance or in the human value of matters, Social Security, and the Democrats on the other side have exempted at least eight other categories saying that they ought to be considered.

We have not been able to narrow those differences, and what we'll do, Mr. Ford and I, as we go back on Tuesday, we'll grapple again with that problem. I mention this to say to you that I think there is a large responsibility on the part of Members of the Congress to somehow come to grips with the fact that at this day and time, we've got to make some changes and that may well affect education, agriculture, defense, and all the other categories.

I think we must be pledged to the fact that we cannot make cuts in some areas at the expense of education because these values are more important, in many respects, than all the others. And yet, we've got to make these choices.

And I guess what I would ask you people here in the audience and the people that might hear or read about this conference, how do you want us to spend your Federal dollar? Ultimately, that's going to be the answer. And we can't spend it all just on education, as we all know; but what is the balance and what is the priority and whoever said over here what we've got to do is examine our own programs, strengthen them and determine how we can best get the most people served, that's the way we should go in this country.

At this time, I think it's not improper to think we're going to have to have some belt tightening. And this panel, I believe, has made a great contribution in examining some of the programs and the direction we ought to go in. No one is more committed in this country than Secretary Cohen in refusing to go away and let us forget, whether it is Social Security, whether it's health; whether it's Medicaid. I don't know but what he is the No. 1 gadfly in this country for the conscience of people in the Congress. And thank goodness he's here. He reminded us of the great advantage that we have in the field of Social Security here on our 50th anniversary, and I'll always remember it, Secretary Cohen.

We had honored and we were observing that ceremony for 50 years, and we had a big ceremony out on Congress Avenue out next to the old bakery, at 11 o'clock in the morning, the Sun was out, it was 98 degrees. We were honoring three persons who were 100 years old, and they sat out in that sunshine for 50 minutes while Secretary Cohen talked about 50 years of Social Security.

I thought we was going to lose them all at that one, but they survived and so did Secretary Cohen. The truth of the matter as I've told it was one of the finest dissertations in the defense and advocacy of Social Security that I've ever heard.

But whether it's following their lead or the lead of this man right here to my right, who's had more to do with education advancement than perhaps any man in Congress, even as much as Carl Perkins, because Carl would advocate and would talk loud and shove and push, but the devious hand that got it done was the gentleman to my right. [Applause.]

And I can attest to that. I've locked horns with him and I've come out second best; I can speak with authority on the subject. But I'll leave you with this thought from my standpoint. We must examine our whole national fiscal policy. Where are we going? If we are not able to control that, then we're not going to be able to do anything down the line for education or health or Medicaid or those other theories.

So you know that and I know it. I think it's important though that you and the people that you know express yourself to the Congress, where do you think it ought to be spent, what's fair and what's best. That's what we're trying to examine and that's what we must consider in the immediate days ahead. [Applause.]

[Whereupon, at 4 o'clock, the subcommittee was adjourned.]

[Additional material submitted for the record follows:]

IV

House Calendar No. 85

99th CONGRESS
1st Session

H. CON. RES. 207

[Report No. 99-343]

To recognize the twentieth anniversary of the Higher Education Act of 1965 and reaffirm its purpose.

IN THE HOUSE OF REPRESENTATIVES

October 7, 1985

Mr. Ford of Michigan (for himself, Mr. Sunia, Mr. Feighan, Mr. Perkins, Mr. Daschle, Mr. Dwyer of New Jersey, Mr. Hayes, Mr. Horton, Mr. Lantos, Mr. Fowler, Mr. Foley, Mr. Dingell, Mr. Henry, Mr. Waxman, Mrs. Collins, Mr. Owens, Mr. Howard, Mr. Matsui, Mr. Anderson, Mr. Daub, Mr. McKernan, Mr. de la Garza, Mr. Frank, Mr. Roe, Mr. Dymally, Mr. Morrison of Connecticut, Mr. Smith of Florida, Mr. Crockett, Mr. Boucher, Mr. Chandler, Mr. Kildee, Mr. Fuster, Mr. Young of Missouri, Mr. Murphy, Mr. Rahall, Mr. Berman, Mr. Coleman of Missouri, Mr. Gilman, Mr. Gaydos, Mr. Atkins, Mr. Solarz, Mr. Fuqua, Mr. LaFalce, Mr. Clay, Mrs. Bentley, Mr. Moorhead, Ms. Kaptur, Mr. Rose, Mr. Fazio, Mr. Sabo, Mr. Weaver, Mr. Conyers, Mr. Jones of Oklahoma, Mr. Weiss, Mr. Levin of Michigan, Mr. Mollohan, Mr. Panetta, Mr. Williams, Mrs. Burton of California, Mr. Rodino, Mr. de Lugo, Mr. Savage, Mr. Martinez, Mr. Hoyer, and Mr. Biaggi) submitted the following concurrent resolution; which was referred to the Committee on Education and Labor

October 29, 1985

Additional sponsors: Mr. Towns, Mr. Volkmer, Mr. Heftel of Hawaii, Mr. Kostmayer, Mr. Yatron, Mr. Hughes, and Mr. Traficant

October 29, 1985

Referred to the House Calendar and ordered to be printed

CONCURRENT RESOLUTION

To recognize the twentieth anniversary of the Higher Education Act of 1965 and reaffirm its purpose.

Whereas the Higher Education Act of 1965 was signed into law on November 8, 1965, by President Lyndon Baines Johnson on the campus of Southwest Texas State University, his alma mater;

Whereas over its twenty-year history this landmark legislation has contributed significantly to the development of the Nation by increasing its investment in human capital, thereby fostering economic growth, enriching civic and cultural life, and strengthening the national security;

Whereas the Act has brought closer to fulfillment the goal of providing an opportunity for postsecondary education for all qualified students through grants, loans, work-study and student service programs;

Whereas the Act has improved the quality of education through support to college libraries, construction of academic facilities, graduate study fellowships, developing institutions, foreign language and area studies improvements, and other institutional programs which advance national priorities such as cooperative education and continuing education for adult learners;

Whereas the Act has been periodically amended with broad bipartisan support, including major expansion of Federal student assistance programs in 1972, extension of eligibility to students from middle-income families in 1978 and revision of the Act in 1980:

Whereas in considering the reauthorization of the Act, Congress is now examining the unfinished agenda of American higher education: reaching the significant number of youths who still do not reach their full potential, providing new opportunities for adult learners to remain creative and productive, improving the training of teachers, renovating campuses, and sustaining graduate education and scholarship;

Whereas Southwest Texas State University will observe the twentieth anniversary of the signing of the Higher Education Act on November 8, 1985, with special ceremonies on the campus;

Whereas the House Postsecondary Education Subcommittee will hold a hearing on the reauthorization of the Higher Education Act as Southwest Texas State University on November 8, 1985: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) recognizes the twentieth anniversary of the Higher Education Act of 1965 and the important role that legislation has played in the Nation's development; and

(2) reaffirms the historic partnership between the Federal Government and the colleges and universities toward the development of human resources required for an increasingly complex and technological society.

Texas Association of
Student Special Services Programs,
San Antonio, TX., October 30, 1985.

Hon. William D. Ford,
Chairman, House Subcommittee on Postsecondary Education, U.S. House of Representatives, Cannon House Office Building, Office 239, Washington, DC.

Re Reauthorization of the Higher Education Act.

Dear Congressman Ford: On behalf of the Texas Association of Student Special Services Programs which represents 63 Trio Projects in Texas serving 33,603 disadvantaged students. I wish to express sincerest appreciation for your support of the reauthorization of the Higher Education Act, and in particular, recommendations submitted by the National Council of Educational Opportunity Associations related to Trio Programs. Your leadership on these important educational issues will enable untapped human potential to be developed and utilized for the benefit of our nation as a whole.

Enclosed are several letters in support of the reauthorization of the Higher Education Act. I wish to request, if possible, that these comments be included in your official record of testimonies for the hearing scheduled in this area on November 7, 1985 at Southwest Texas State University.

Your assistance and continued support are deeply appreciated.

Respectfully,

Jacqueline D. Edwards,
President.

Southwest Texas State University,
San Marcos, TX, October 11, 1985.

Congressman William D. Ford,
Chairman, House Postsecondary Education Committee, House of Representatives, Washington, DC.

Dear Congressman Ford, on behalf of Southwest Texas State University's Special Services for Disadvantaged Students program I want to affirm my strong support for all TRIO programs. I testify specifically as a director of Special Services program.

The low-income, first generation college students, and physically handicapped students that I serve both need and appreciate the support system provided by Special Services. These students can not afford the private academic tutoring that more affluent students can. When eligible students participate in our Special Services program, they have access to tutoring by academically successful peers. The Special Services programs are essential for their continued progress in colleges and universities.

Just as important, I believe, is the psychological support Special Services programs provide students. We have high expectations for our students. We believe they can succeed. We care about their personal as well as academic successes. These students may come from homes that lack a college tradition; however, they receive the interest, the caring, and the encouragement of the Special Services personnel. This level of commitment to students is an essential, but often overlooked, element of Special Services program.

TRIO programs surely open educational opportunities to citizens who may otherwise be unaware of them. These programs have my fullest and most wholehearted support both as a university faculty member and private citizen.

Sincerely,

Mary Olson,
Director, Special Services.

Southwest Texas State University,
San Marcos, TX, October 8, 1985.

Congressman William Ford,
Chairman of House Postsecondary Education Committee.

Dear Congressman Ford: As Director of the Educational Opportunity Center at Southwest Texas State University (SWT) and an avid supporter of TRIO programs, I would like to express my concern over the need to continue programs for traditionally underrepresented groups.

My experience as a teacher and administrator has afforded me the opportunity to work with many disadvantaged students, particularly the Hispanic student. Without these programs and the personnel dedicated to serving this population, many of the young Hispanic students would have given up the hope of ever obtaining a secondary or postsecondary education. Fortunately, this does not occur as often as it has in the past, but we are a long way from helping all students reach their goals.

I am very encouraged by your accomplishments and urge you to continue your strong support for the economically and socially disadvantaged individual.

I hope that I have an opportunity to meet with you when you visit Southwest Texas State University for the celebration of the signing of the Higher Education Act in November.

Sincerely,

SHARON S. MUNSON,
Director, Educational Opportunity Center.

THE UNIVERSITY OF TEXAS AT ARLINGTON,
Arlington, TX, September 17, 1985.

Congressman Ford, distinguished guests, ladies and gentlemen. My name is J. Steven Hodnett and I am a Counselor for the Special Services Program at the University of Texas at Arlington. It is to offer my personal testimony to the impact and importance of TRIO programs that I submit this letter to the Postsecondary Education Subcommittee hearing.

I have been affiliated with TRIO programs since January of 1980. During this time, I have worked with both the Upward Bound and Special Services programs. While working as a counselor for an Upward Bound program in Arkansas, I had the opportunity to see the benefits and impact that TRIO and dedicated staff members had on the lives of many low income, handicapped, and potential first generation college students. To see a young poorly groomed girl, coming from a home with a dirt floor, transformed into an attractive, popular, and educated young woman is truly a feeling of accomplishment. This particular young lady had all of the necessary potential for success but lacked the opportunity for development. This development became a reality through selection and participaton in Upward Bound.

Another example in my experience as an Upward Bound Counsel was a young man who was a participant in Upward Bound. This bright young man went on to graduate from college, complete graduate school at Ole Miss, and returned with a Ph.D in Computer Science. This individual is now a faculty member at the same institution in which he began Upward Bound, influencing, educating, and developing other young minds—all a realistic goal, fulfilled in part as a result of assistance through TRIO programs.

I could mention many more similar examples; however, the facts remain the same: Upward Bound and other TRIO programs do influence and touch the lives of many deprived but bright young people in a very positive way.

Special Services, an academic support service at the college level, is also an important and vital link in the chain of TRIO programs. These programs not only offer continued assistance to former Upward Bounders, but also to eligible students who were not fortunate enough to participate in Upward Bound.

Just because a person is eighteen years old, and a high school graduate, does not mean they still do not need assistance, especially in dealing and coping with the stresses and frustrations of completing their college education. Special Services offers many needed services to students—such as counseling, tutorial assistance, skill building, and other related services. Without this assistance, many students would be unable to complete their educational endeavors. The unfortunate part of this picture is that we are only able to serve a small portion of the students who need our help.

I ask the question do we dare risk losing the bright, intelligent, young minds of the next generation due to budgetary cuts, or do we strive to develop them. These are the potential leaders of our country. The future doctors, lawyers, scientists, chemists, and school teachers.

Yes, it is true that TRIO programs cannot be successful with every student they serve, but the good results far outweigh the bad.

I feel that we, the TRIO staff, students, parents, and concerned citizens should battle for the continuation of educational programs such as these, and not stand by and let these programs be gradually phased out.

TRIO has also touched my life. It has given me the opportunity to see what I did not believe existed in our country: daughters being sold for pleasure so their father could drink on the weekend, a student who didn't smile or associate with others because of horrible teeth due to neglect and no money for dental care, or the child who did not know what a menu was, much less a tablecloth and cloth napkins. TRIO programs, concerned staff and the help of charitable organizations were able to correct and assist the aforementioned examples overcome these dilemmas.

I for one will never just stand by without giving my highest regards for the TRIO programs. I encourage all of us to rally together and keep our influence and support for TRIO strong in Washington—If we allow TRIO programs to be decreased, then we have neglected many deserving students whose minds may not be given the opportunity to be developed to their highest potential.

PROJECTS UPWARD BOUND AND SPECIAL SERVICES,
Canyon, TX, October 25, 1985.

Hon. WILLIAM D. FORD,
U.S. House of Representatives, Washington, DC.

DEAR SIR: Please accept this letter of recommendation to continue the Higher Education Act 1965.

It is my opinion that this Legislation has done much to provide equality of access to Secondary Education as well as Post Secondary Education.

Please vote affirmative on that issue.

Thanks for your consideration.

Sincerely,

ROGER C. SCOTT, Jr.

NORTH TEXAS STATE UNIVERSITY,
October 11, 1985.

Hon. WILLIAM FORD,
Chair, Subcommittee on Reauthorization, U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN FORD: The purpose of this letter is to inform you of my support for reauthorization of the Higher Education Act of 1965. As director of TRIO programs at North Texas State University, I am well aware of benefits these programs afford underprivileged young people with whom we work.

As I spoke to a local Rotary club yesterday I compared the benefits received by TRIO clients to those received by veterans under the G.I. Bill. With both programs I believe our primary purpose was to improve the quality of life for those involved and thereby improving the society in which we live. Although TRIO programs represent an added expense to tax payers, I am convinced the federal government is more than compensated by additional taxes accrued from higher salaries earned as a result of additional education.

Due to prior commitments, I will be unable to attend your meeting at Southwest Texas State University on November 11. I know, however, that I will be well represented by my colleagues and I will certainly be there in spirit.

I want to thank you for your support of TRIO programs. It is through the efforts of you and other like you that makes our society the best in the world in which to live. Unfortunately, I cannot support you with my vote. You can be assured, however, that my relatives in Michigan know of your concerns for the welfare of all Americans.

Sincerely,

WILLIS L. NICKLAS,
Director, TRIO Programs.

NORTH TEXAS STATE UNIVERSITY,
October 15, 1985.

Hon. WILLIAM FORD,
Chair, Subcommittee on Reauthorization, U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN FORD: As the time approaches for the reauthorization of the Higher Education Act of 1965, I would like to reinforce the impact that a part of that Act has had on our educational system just in the past year. In Texas alone during 1984–85 there were 63 TRIO programs funded for a total of $8,869,174 appropriated federal dollars. Those dollars were used to help a total of 33,603 students to develop themselves to the point of continuing their education beyond the secondary level. This, Congressman Ford, is only the "tip of the iceberg" as far as the number of students with whom TRIO personnel have come into contact during the past 20 years. There are success stories too numerous to name as individuals have progressed to reach their God given potential because a TRIO counselor has intervened with care and concern and skill, encouraging that special student to grow and to take advantage of the educational opportunities so closely at hand.

I strongly support the TRIO programs and am reminded daily through students with whom I have personally worked of the miracles performed for our disadvantaged students. I encourage you to push for the "healthy" reauthorization you are about to undertake, maximizing the tax dollars of the American people to promote our own society through educating our own people.

Thank you, Congressman Ford, for the time and energy you devote to working for the positive growth of our country.

Sincerely,

KATHY RAWLINGS,
Coordinator, NTSU Talent Search Project.

NORTH TEXAS STATE UNIVERSITY,
October 16, 1985.

HON. WILLIAM FORD,
Chair, Subcommittee on Reauthorization, U.S. House of Representatives, Washington DC.

DEAR CONGRESSMAN FORD: I have worked with TRIO Programs for six years and have had the opportunity to see how vitally important Special Services, Talent Search, and Upward Bound are in changing the lives of the students and families they touch. I am strongly in favor of the reauthorization of the Higher Education Act of 1965.

I have personally worked with hundreds of youth during my tenure with TRIO Programs who have modified their life plans when realizing that postsecondary education can be a reality, not just a dream. Rather than continuing to perpertuate the cycle of poverty and lack of education in their families, these students have made their commitment to building a more positive way of life for themselves and those that follow them. My association with these students has deepened my commitment to working with TRIO Programs and my pride that my tax dollars are being well spent.

I want to thank you for your support of TRIO Programs. It is through your hard work that our society benefits and continues to be the most desirable place in the world in which to live.

Sincerely,

NANCY MCCRAY,
Coordinator, Special Services Project.

NORTH TEXAS STATE UNIVERSITY,
October 16, 1985.

HON. WILLIAM FORD,
Chair, Subcommittee on Reauthorization, U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN FORD: As a member of the Upward Bound Program at North Texas State University I strongly favor the support of the Higher Education Act of 1965 authorizing the TRIO Programs.

There are vast benefits derived from the students enrolled in the TRIO Programs throughout the United States. Many of these students go onto achieve great success in life. Certainly, without the help of TRIO Programs many of these disadvantaged students would not have the opportunities to reach such success.

After working with Upward Bound for two years, I can already see the growth both academically and emotionally in our students. The advantages that Upward Bound offers these students is immeasurable in their present and future lives.

I fully support the organization of the TRIO programs and urge support in the reauthorization of the program.

Thank you for consideration in this most important matter.

Sincerely,

DIANNE NEWMANN,
Academic coordinator, NTSU Upward Bound.

North Texas State University,
October 16, 1985.

Hon. William Ford,
Chair, Subcommittee on Reauthorization, U.S. House of Representatives, Washington, DC.

Dear Congressman Ford: I am in my second year as the counselor for NTSU's Upward Bound Project and continue to be surprised and encouraged at the positive changes students make in their lives as a result of their participation in the program. It is my firm belief that Upward Bound does much more than help students complete high school and go on to postsecondary training; it provides students with the realization that they are in charge of their own futures. In Upward Bound, students are encouraged to set goals and make decisions for themselves and for many, the program provides their first real experience with people who have faith and confidence in their creative and productive capabilities. Upward Bound, as well as the other TRIO programs, encourages students to break the cycles of poverty and lack of education in their family backgrounds and to "spread their wings" so that personal talents and limitations can be realized.

Please know that your continued support of programs like Upward Bound, Talent search and Special Services is greatly appreciated. It is a good feeling to know that people like yourself have faith in the young people in our country who, without the benefit of such programs, might not otherwise have the opportunity to "overcome the odds."

Sincerely,

Carol A. Brennan,
Counselor, NTSU Upward Bound Project.

North Texas State University,
October 16, 1985.

Hon. William Ford,
Chair, Subcommittee on Reauthorization, U.S. House of Representatives, Washington, DC.

Dear Congressman Ford: As a staff member of Special Services for Disadvantaged Students, a part of the TRIO programs, for the past 3 years, I have seen the positive effects of this type of program. Many times, the students I have come in contact with would either not be in school or not have continued in school had it not been for the intervention of TRIO program. From working in a junior college to now working at the program at North Texas State University, I feel that the service provided is essential for the academic success of our target population.

I strongly urge your support of the reauthorization of TRIO programs. These programs help establish a firm foundation within the student that will benefit them throughout their lives.

Thank you for the time and energy you are devoting to this very important endeavor.

Sincerely,

Rebecca Trammell,
Counselor, NTSU Special Services Project.

North Texas State University,
October 16, 1985.

Hon. William Ford,
Chair, Subcommittee on Reauthorization, U.S. House of Representatives, Washington, DC.

Dear Congressman Ford: As a new academic coordinator and member of the Special Services, a part of the TRIO programs, I have already seen the many positive results caused by this type of program. Several specific cases have proven directly to me that this program has kept students in school and prepares them to remain until graduation. I believe the progam successfully targets a group of individuals who are often missed by the academic process.

I strongly support the reauthorization of TRIO programs. They not only assist the students in present situations, but also prepare them to adequately handle many future situations.

Thank you for the energy and time you have devoted to this endeavor. I strongly urge the continuation of your support.

Sincerely,

David T. Dodd II,
Academic Coordinator, NTSU Special Services Project.

North Texas State University,
October 16, 1985.

Hon. William Ford,
Chair, Subcommittee on Reauthorization, U.S. House of Representatives, Washington, DC.

Dear Congressman Ford: I would like to take this opportunity to inform you of my support for reauthorization of the TRIO Programs under the Higher Education Act of 1965. As an educator, it is my belief that these programs are a vital link to success for a large number of students. Hopefully, someday these students will provide positive contributions to society, which will offset the cost of funding these programs at this time.

Currently, I am a Talent Search Counselor and can already see that students who would otherwise have no opportunity to continue their education, now have the chance to do so. I am very much enthused and encouraged by being able to work with these young people.

Sincerely,

Kenny D. McDougle,
NTSU Talent Search Project.

North Texas State University,
October 16, 1985.

Hon. William Ford,
Chair, Subcommittee on Reauthorization, U.S. House of Representatives, Washington, DC.

Dear Congressman Ford: I am strongly in support of the Higher Education Act of 1965 authorizing the TRIO Programs. I have worked with the Upward Bound Project and the Special Services for a year. I have seen many drastic changes in students for the better in this year's period.

Many high school students who would possibly never had the chance to go to college have been geared toward college through Upward Bound's guidance. I have also seen dozens of college students who were so frustrated and "lost in the shuffle" that if Special Services had not been at this University, many of these students would have dropped out. Special Services and Upward Bound assists students in their personal lives through counseling as well as in their academic courses through tutoring. As you can see, I beieve in these programs 100 percent. We have also been awarded the Talent Search Program recently, and as they are undergoing the process of getting known and getting information from colleges to help the high school students, I can see that this program will be a total success just as the other programs are.

I urge your support of the reauthorization of the TRIO Programs. I feel that these programs are a very important part of students' lives and that the help the students receive will benefit them in their future as well as in the present.

Thank you again for your time for it is very much appreciated.

Sincerely,

Sandra Simmons.

North Texas State University,
October 16, 1985.

Hon. William Ford,
Chair, Subcommittee on Reauthorization, U.S. House of Representatives, Washington, DC.

Dear Congressman Ford: One year ago I began work with the TRIO Programs here at NTSU. At that time I had no idea what TRIO Programs were all about. I have been employed two other times through civil service. Both times I was dismayed at the waste of time and tax money that I saw. This year I have seen people who really care, work on a tight budget to give greatly needed assistance to the high school students in Upward Bound and to college students in Special Services. I have witnessed students receiving counseling, assistance, encouragement and some concentrated tutoring, giving them the needed confidence to continue on toward their goals.

As a parent of three teenagers, and having never attened a college class, I had no idea of financial aid information or how complicated admission forms can be. I can very easily see how discouraged parents and children would become trying to enter college. My own family is a middle class family. I can well imagine the overwhelming feeling a low income family would have if their child was considering college. We are giving real hope to some very promising students. All the students have seen success at some level. Some may not go to college immediately, but they have all gained that confidence that is needed to enter the adult world and be successful at whatever they attempt.

I sincerely hope that all those involved will be able to give you a good picture of the importance of the work that is being done. More importantly, I hope that this enthusiasm that you receive from us will carry over to your colleagues to receive acceptance for reauthorization of the Higher Education Act of 1965. We greatly appreciate your concern and the extra work that you invest your time in this project.

Sincerely,

CATHERINE GRAFF,
Secretary, NTSU TRIO Programs.

NORTH TEXAS STATE UNIVERSITY,
October 16, 1985.

Hon. WILLIAM FORD,
Chair, Subcommittee on Reauthorization. U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN FORD: Having worked with Upward Bound as a tutor for two summers, and now this fall as the mathematics teacher, I have had the privilege of working with the students on an individual basis. Through this close contact with them, I have come to realize the tremendous impact that Upward Bound has had on them. Many of the students have shown great improvement academically as a result of their participation in Upward Bound. Through Upward Bound, the students receive the individual attention which can make the difference between success and failure.

The students benefit in areas other than academic achievement as well. Their attitudes toward school, particular subject matters, teachers, and most importantly, themselves improve tremendously. They enjoy attending the enrichment classes offered by Upward Bound; many seem to develop increased motivation for the subjects involved. They also develop independence as learners and increased self-confidence, both of which are vital to success in postsecondary education.

I firmly believe that all the TRIO programs should be continued. They offer quality educational programs to students who need and benefit from the service. Please give the reauthorization of the TRIO programs your support.

Thank you for your attention to this important matter.

Sincerely,

MARGARET HILL.

THE UNIVERSITY OF OKLAHOMA,
Norman, OK, September 20, 1985.

Hon. WILLIAM D. FORD,
Chairman, Subcommittee on Postsecondary Education,
House of Representatives, Washington, DC.

SIR: I am soliciting your support for the reauthorization of the Higher Education Act of 1965. Our Trio programs cannot continue to operate unless this act is reauthorized. We need your support for reauthorization of this act so that disadvantaged students may continue to have access to educational programs.

Thank you for your help in guaranteeing educational opportunity for disadvantaged students.

Very truly yours,

ANTHONY V BLUITT,
Director.
CLETA DILLARD,
Counselor.
JEAN GALEY,
Counselor.
MENDELL SIMMONS,
Counselor.
JILL KENDALL,
Reading Instructor.
DEAN RILEY,
Tutor Coordinator.

EAST CENTRAL UNIVERSITY,
Ada, OK, September 24, 1985.

DEAR CONGRESSMAN FORD, I have been fortunate to hear you speak on two occasions. I know you believe in the purposes and the activities of TRIO Program. I would be pleased to add my support to you as you work to reauthorize the Higher Education Act of 1965.

Illiteracy, poverty and educational oppotunity for the disadvantaged, the minority, and the disabled has not been eradicated. The strength of our nation rest upon the knowledge, wisdom and abilities of our people. TRIO Programs are reaching thousands each year with tremendous success. With the recent publication by the U.S. Department of Education that we are a nation of poor readers, I believe that the time is now for a *real* coordinated effort of our educational resources and talents aimed toward this need. TRIO can continue to be the catalyst that brings about the changes to improve the dilemma and provide practical effective services to ensure that improvement occurs.

I urge you to continue speaking out on behalf of TRIO but perhaps more importantly is the reauthorization of the Education Act of 1965. TRIO will, in all probability, survive only if reauthorization is successful.

Respectfully yours,

JIM CARUTHERS, *Director.*

EAST CENTRAL UNIVERSITY,
Ada, OK, November 8, 1985.

Hon. WILLIAM D. FORD,
Chairman, House Postsecondary Education Subcommittee, C/O Special Hearing, Southwest Texas State University, San Marcos, TX.

DEAR CONGRESSMAN FORD, I urge you and your subcommittee members to support and endorse reauthorization of the Higher Education Act of 1965. It is vitally important to the future of our Nation that Trio programs, now operating under this Act, be allowed to continue providing services to disadvantaged young people.

Our Talent Search project, here in Ada, serves approximately 100 small high schools in a nineteen-county area in the southeastern quadrant of Oklahoma. In many instances, Talent Search counselors provide the only guidance/counseling, financial aid information, or information regarding postsecondary opportunities that are available to young people in our section of the State. These services, many times, are the only hope for postsecondary access to hundreds of disadvantaged young people in Oklahoma and to thousands Nationwide.

Please allow this letter to become a matter of record at our Special Hearing in San Marcos November 8, 1985.

Sincerely yours,

JO CONWAY, *Director.*

UPWARD BOUND,
Weatherford, OK, September 17, 1985.

Hon. WILLIAM D. FORD,
Chairman, House Postsecondary Education Subcommittee, c/o Special Hearing, Southwest Texas State University, San Marcos, TX.

DEAR CONGRESSMAN FORD: On behalf of the Oklahoma Division of Student Assistance Programs (ODSA), I urge reauthorization of the Higher Education Act of 1965.

It is of vital importance that Upward Bound, Talent Search/Educational Opportunity Centers, and Special Services projects continue to provide much needed educational services to disadvantaged young people of our Nation.

Historically, the Higher Education Act of 1965 has been beneficial in not only reducing welfare rolls but in instilling a sense of self-worth in those less fortunate by affording educational opportunity and access never before available to our young people. Last year in Oklahoma, alone, some 14,000 students were assisted to remain in school, to gain access to secondary or postsecondary education, or to complete a program of postsecondary education through Trio services. The number of youth in Oklahoma who need these services is much greater than the above figure of those who received services last year. The number who need Trio services has National significance and ramification, considering the size and sparse population of our State when compared to other states across America.

Please allow this letter to become a matter of record in support of reauthorization of the Higher Education Act of 1965 during your Special Hearing in San Marcos on November 8th that is of such vital importance and historical significance to disadvantaged young people.

Sincerely yours,

LOU ANN LARGENT,
President, ODSA.

UPWARD BOUND,
Weatherford, OK, September 19, 1985.

Hon. WILLIAM D. FORD,
Chairman, House Postsecondary Education Subcommittee, c/o Special Hearing, Southwest Texas State University, San Marcos, TX.

DEAR CONGRESSMAN FORD: I urge you and your subcommittee members to support and endorse reauthorization of the Higher Education Act of 1965. It is vitally important to the future of our nation that Trio programs, now operating under this Act, be allowed to continue providing services to disadvantaged young people.

Our Upward Bound Project, here at Southwestern, serves approximately 30 high schools in an eight county area in the western part of Oklahoma. Many times, this office provides the only guidance, counseling, and general information regarding postsecondary education to high school students in this section of the state.

Please allow this letter to become a matter of record at your Special Hearing in San Marcos November 8, 1985.

Sincerely yours,

LOU ANN LARGENT, *Director.*

LANGSTON UNIVERSITY,
Langston, OK, October 4, 1985.

Ms. JACKIE EDWARDS,
President of Texas Association of Student Special Services Programs (TASSSP), St. Mary's University, San Antonio, TX.

DEAR MS. EDWARDS: Langston University has been an integral part of the TRIO programs since the inception of the Upward Bound program, as we are thoroughly convinced that these programs provide a substantial need to the State of Oklahoma specifically, and the United States, generally.

We solicit your support of the reauthorization of the Higher Education Act of 1965. Our TRIO programs cannot continue to operate unless this Act is reauthorized. We must be able to continue to provide services to the thousands of young people who benefit from these programs and who go on to become productive, taxpaying citizens of the United States as a result of them.

Sincerely,

JO ANN R. CLARK,
Director, Special Services.

LANGSTON UNIVERSITY,
Langston, OK, October 7, 1985.

Hon. William D. Ford,
Chairman, House Postsecondary Education Committee, U.S. Congress, Washington, DC.

DEAR CONGRESSMAN FORD: Langston University has been an integral part of the TRIO programs since the inception of the Upward Bound program, and we are thoroughly convinced that these programs provide a substantial need to the State of Oklahoma specifically, and the United States, generally.

We solicit your support of the reauthorization of the Higher Education Act of 1965. Our TRIO programs can not continue to operate unless this Act is reauthorized. We must be able to continue to provide services to the thousands of young people who benefit from these programs and who go on to become productive, taxpaying citizens of the United States as a result of them.

Thank you for your support.

Sincerely,

JO ANN R. CLARK,
Director, Special Services.

LANGSTON UNIVERSITY,
Langston, OK, October 7, 1985.

Hon. William D. Ford,
Chairman of the House Postsecondary Education Committee, U.S. Congress, Washington, DC.

DEAR HONORABLE FORD: The Upward Bound Program at Langston University has for years stimulated, motivated, and generated skills necessary for success in education beyond the secondary schools for high school individuals with Academic potential who because of adverse environmental conditions have not the motivation or prepration to use the above potential.

Therefore, I am soliciting your support of the reauthorization of the Higher Education Act of 1965. Our program cannot continue to operate unless this Act is reauthorized.

Sincerely,

MAE DEAN WYATT,
Director, Upward Bound.

ROSE STATE COLLEGE,
Midwest City, OK, October 3, 1985.

Congressman WILLIAM D. FORD,
Chairman, House Postsecondary Education Committee.

DEAR CONGRESSMAN FORD: Since President Lyndon Johnson signed the Higher Education Act of 1965, thousands of individuals have gained access to postsecondary education as a result of financial aid, open admissions, and technical assistance made possible by this Law.

It would be impossible to estimate the value of the learning which has been generated as a result of that action twenty years ago.

However, the gains made could disappear quickly if the principles of access are abandoned now. Demographic changes alone demand that we increase our efforts to provide opportunities for all citizens to develop their full potential.

I urge you to work for the passage of new legislation which will make that possible.

Sincerely,

JOHN E. DAVIS,
Interim President.

LOUISIANA ASSOCIATION OF STUDENT ASSISTANCE PROGRAMS,
New Orleans, LA, October 22, 1985.

Hon. WILLIAM D. FORD,
Chairman, House Subcommittee on Postsecondary Education, 320 Cannon House Office Building, Washington, DC.

DEAR CONGRESSMAN FORD: I am writing to request your strong support for the Reauthorization of TRIO educational programs (Upward Bound, Special Services, Talent Search, and Educational Opportunity Centers) as part of the Higher Education Act.

I realize that inflation and the skyrocketing legitimate costs of doing government business make thoughtful cuts in the federal budget a national imperative. But I also know that the state of education in America—at every level—demands focused and determined attention, lest we have emerge among us an entire class of functional illiterates.

The gloomy statistics speak for themselves. There has been, over the years, a national decline in academic ability as measured by SAT, ACT, AFQE and other such tests. Entry-level job performance and high school dropout rates tell an equally sad story. Leaders of business, industry and the military, particularly, bemoan the insidious impact of "untrainables" who, in ever-increasing numbers, strain fiscal, training and production resources. We are, in effect, paying a national (albeit indirect) illiteracy tax in the form of increased training costs and times and diminshed productivity, not to mention the direct costs to the government through unemployment and welfare payments. Finally, there are the incalculable social costs of missed opportunity and despair.

There are no easy or quick solutions. But the TRIO programs directly address the problem, and the results show that they are highly effective. In FY 1984, TRIO programs served more than 500,000 needy students. Roughly 11,000 of that number were physically handicapped. Recent studies have shown that Upward Bound participants earn bachelor's degrees at four times the rate of nonparticipants. The Veterans Upward Bound program enrolled 17,586 men and women in program years 1978 through 1983. In that same span, 2,567 earned GED certificates, 4,092 enrolled in college, and 1,136 were placed in skilled or semi-skilled jobs.

It might appear that I have a vested interest in government-financed educational programs for the disadvantaged. I do. Were it not for such programs (in my case, the Vietnam-era GI Bill) I would never have been able to earn a master's degree and make the contribution I strive to make by being a well-traininned, aggressive, effective administrator. More importantly, were it not for such programs there would be a critical, perhaps even a disastrous, shortcoming in our national educational effort.

A final important point to keep in mind, I think, is that these are educational rather than social initiatives. Obviously, they have social implications, but they are designed to have primary effect in the marketplace of jobs and productivity. I can think of few programs more deserving of your wholehearted support.

With warmest regards, I remain

Sincerely,

ROBERT W. BROWN,
President.

PREPARED STATEMENT OF THE AMERICAN ASSOCIATION OF STATE COLLEGES AND UNIVERSITIES

Twenty years ago, Lyndon B. Johnson signed into law the Higher Education Act of 1965. With that historic stroke of his pen, President Johnson established the foundation for a federal commitment to higher education that has benefited millions of Americans individually and our nation as a whole.

This commitment provided grant, work, and loan opportunities to our nation's college students, and it has given them the resources to expand their horizons and realize the dream of advanced education. At the same time, it has strengthened the ability of our nation's campuses to provide the best education offerings in the world.

The foundation erected by President Johnson has expanded many times. Richard M. Nixon, with the Education Amendments of 1972, established the Basic Educational Opportunity Grant program (Pell Grants) to assure that "no qualified student who wants to go to college should be barred by lack of money. . ." . And in signing the Middle Income Student Assistance Act of 1978, Jimmy Carter said that every American student was now eligible for some form of federal student assistance.

The Education Amendments of 1980 solidified this foundation by endorsing all of the previous policy developments and expanding funding levels for all federal student aid programs. This increased funding levels, to be achieved over a period of time, recognized the growing costs of a college education, and attempted to help student assistance keep pace with these icnreases.

It is important to note that this commitment to student assistance and to higher education has been a bipartisan one, with strong support coming from presidents from both political parties and from members of Congress from both sides of the aisle. And as we begin to consider changes to President Johnson's higher education foundation, we hope that this bipartisan spirit continues. For higher education is truly in the national interest.

But as we begin the higher education reauthorization process, we note some disturbing trends. Because of program changes made in recent years, student aid does not have as much dollar value as it had in the late 1970's. Inflation coupled with inadequate funding of need-based student aid programs have resulted in a decrease in purchasing power for students and their families. This has been particularly the case for low-income and minority students, who have traditionally been the target of federal student assistance efforts. This trend has become more pronounced as funding for the Guaranteed Student Loan Program has increased. When this has occurred, need-based assistance programs have not experienced similar increases, and their more targeted funding has been disproportionately lower than the less need-based GSL program. We also find that minority college enrollments are declining, even though the number of minority students graduating from high school has been increasing. In addition, there has been a decrease in low-income and minority students attending public institutions and receiving student aid. These trends have to be addressed and changed.

Many of our nation's campuses are in desperate need of facility repair and new instrumentation, and they need help if they are to continue to be the world's paramount educational operations. And our colleges and universities still face a major gap in having sufficient numbers of educated minority and female professionals to staff their classrooms and laboratories. Steps have to be taken to close this gap.

The American Association of State Colleges and Universities (AASCU) believes these problems should be addressed positively during the reauthorization of the Higher Education Act. By addressing them in a bipartisan manner, we will further secure the sound foundation established by President Johnson and pay him the greatest tribute that can be bestowed on any individual.

I. ACCESS AND OPPORTUNITY

AASCU believes that the primary goal of federal tudent aid programs has been to guarantee access to postsecondary education to our citizens, while at the same time encouraging the pursuit of the type of educational opportunity that is best suited to each individual's needs and desires. We believe this is a sound goal. However, we also believe that certains teps should be taken to make this goal a reality. We offer the following suggestions:

1. The Pell Grant program should be expanded, with award levels increased. The current maximum Pell grant award is $2100. We believe this award should be increased to at least $2400, and be increased an additional $200 annually.

2. We believe the limits on the cost-of-attendance provisions should be abolished, so that students who live off-campus will not have their non-tuition expense limited by an arbitrary figure. The 1980 Education Amendments recognized the inequity of such limitations by allowing each institution the flexibility to establish reasonable off-campus living costs for its own students in computing student budgets. We believe these allowances should be increased to at least $1800 for students living at home with their parents, and $2400 for all other students. These allowances then should increase equally with any increase in the maximum Pell award.

3. More assistance to part-time students should be provided. Restrictions in current programs should be eliminated so that these students can become eligible for all federal student assistance programs. Currently the large number of students who attend college less-than-half time are not eligible for most federal or state student aid. Part-time students, if eligible, have their awards reduced unfairly. We think this should be changed.

4. College Work-Study should be expanded, and more funding should be provided. In addition, consideration should be given to change the current work-study program to provide greater emphasis on student work experiences of educational and societal value.

5. We believe campus-based funding under the SEOG program and the NDSL program should be continued. However, we believe the campus-based system should have flexibility built into it so that the individual needs of eligible students can be addressed at the campus level. Under such a flexible system, the need for a small, short-term loan could be met, if such a loan was determined by the campus financial aid administrator to be the most suitable type of assistance for that particular student. Numerous other examples of flexibility in these programs could be given. However, our main contention is that students have different needs, and the campus-based programs should be flexible enough to accommodate these needs.

6. Loans should not become the primary source of student assistance financing. We are extremely concerned with the growing tendency in this direction, with the consequent effect of overly burdening students with loan debt. We still prefer a policy whereby college is financed through a combination of parental help, earnings, Pell Grants and work study, without the necessity for loans. However, we realize that some students will still need loan assistance. Because of this, a capital financing mechanism such as the Guaranteed Student Loan program must be continued.

And we are not convinced that any of the alternative loan programs currently being discussed can serve as an effective or workable substitute to the current GSL program. These alternatives should only be looked at as supplements to, and not substitutes for, current programs of student assistance.

II. EFFECTIVE STUDENT AID DELIVERY

AASCU believes that if we are to have a student aid system that works, that system must operate effectively and efficiently in pursuit of its objectives. To achieve this goal, we support the following:

1. A master calendar, setting the timetable for decisions affecting the student aid process, should be developed. This calendar should include specific statutory dates by which time all of the major decisions affecting the student aid delivery process will have to be completed. The calendar should also include specific statutory dates for the completion and distribution of student aid application forms.
2. The availability of accurate, comprehensive and reliable information on student financial assistance is crucial to students and parents who are making decisions about postsecondary education. Access to this information is needed at the earliest possible time in the college decisionmaking process. We believe steps should be taken at the federal level to improve the current information process, so that such information can be conveyed to future college students as early in their secondary school years as possible.
3. The nature of the student aid partnership makes it imperative that federal decision-makers act in cooperation with, and with the input of, the postsecondary education community. We believe open channels of communications between the Department of Education, the Congress and the participations in the student aid delivery system are essential, and we support their continuation.

III. GRADUATE STUDENTS

Graduate students are eligible for College Work-Study funds as well as Guaranteed Student Loans, but not for other kinds of student aid under the Higher Education Act. However, because of a shortage of funds, many graduate students have not been able to participate in the work-study program, and thus have become increasingly reliant on the Guaranteed Student Loan Program.

In the past, some federal policy-makers have expressed the view that there is no need to assist graduate students. Yet recent reports on the state of education in this nation underscore the importance of graduate education to our national well-being.

Our nation cannot afford to lose the talents of a whole generation of scholars. There is still a great need for capable people who wish to enter all fields—not simply college teaching. And there still is the fact that women and minorities continue to be underrepresented in graduate schools as they are in almost all professions, and they need particular assistance. And finally, many fields today require at least a Master's degree if not a doctorate.

For these reasons, AASCU believes a commitment to support graduate students through various forms of student assistance must be made. We would offer the following suggestions:

1. Access for graduate students to the two major student loan programs—GSL and NDSL—should be maintained, as should the level of interest subsidies borrowers receive. Limits on the total loan burden, particularly for professional students, should be increased. Graduate students should become eligible to participate in Federal student assistance programs immediately upon entering graduate school. And college work-study programs should be expanded so that graduate students will be able to participate fully in these programs.
2. Fellowship support for women in graduate education should be increased substantially with particular attention given to encouraging women to enter fields of study in which they are presently underrepresented. Funding should be increased in all programs which provide fellowships for minority graduate students. The number of fellowships available to minorities through the Graduate Professional Opportunity Program (GPOP) as well as stipend levels should be increased.
3. Major federal programs of support for graduate students should be maintained and, in some instances, increased substantially. Science and engineering fellowships in various agencies should be increased in numbers with appropriate consideration for manpower shortages. Stipends should be increased regularly to take into account increases in the cost of living. Approximately 750 new fellowships per year for the support of graduate students in the arts, humanities, and social sciences should be provided by the Federal government. In addition, 500 new awards should be made

each year for dissertation support of students in the arts, humanities, and social sciences.

IV. FORGIVEABLE LOAN PROGRAM TO INCREASE THE NUMBER OF MINORITY AND FEMALE FACULTY

America's colleges and universities still face a major gap in having sufficient numbers of educated minority and female professionals to staff their classrooms and laboratories. Currently twenty-five percent of all students in the United States public schools are minorities. Yet in the representation in our nation's faculties, the picture is a dismal one.

For Blacks and Hispanics, although high school graduation rates are increasing, college going rates are declining. And the minority rate of participation at the college post graduate level is no different. Doctorates earned by minority students are concentrated in the field of education. In 1981 Blacks received only 4.2 percent of the Ph.D.'s awarded. By field, black students receiving Ph.D.'s ranged from less than one percent in physics and earth sciences to 8.8 percent in education. Hispanics received about 1.3 percent of all doctorates during that same period, which according to field of study, ranged from less than one-half of one percent of all degrees in engineering to 1.4 percent of the degrees in the arts and humanities.

The picture for women has improved somewhat in the past few years, but more progress is needed. Women comprised 27 percent of all full-time faculty nationwide in 1981. In that same year, women earned 31.8 percent of doctoral degrees.

We need to attract more of our able minorities and women to college faculty positions than we are doing today. According to the report on graduate education in America submitted by the National Commission on Student Financial Assistance, a major reason for not attracting such students is the cost of graduate education, and the growing loan burdens students are accumulating to meet those costs. The program of loan forgiveness we propose is a modest step towards addressing a major problem. But it is an important first step, and one that will reap tremendous benefits.

These are the highlights of proposals we would like to see implemented that would make Lyndon Johnson's Higher Education Act truly achieve the goals he set for it. President Johnson, by making aid to education a hallmark of his years in the White House, proclaimed that nothing could be more important than providing the legislative framework so that Americans across this land could fully develop their human potential. This proclamation is still true today, and the reauthorization of the Higher Education Act can make that legislative framework more effective and relevant to the future of our nation.

Prepared Statement of the National Association of State Universities and Land-Grant Colleges

OBSERVATIONS ON THE ENACTMENT OF THE HIGHER EDUCATON ACT OF 1965

From the perspective of the tumult and turmoil of 1985, it seems to have been remarkably simple. Even when compared with the major higher education legislation that preceded in 1958 and the reauthorization of the Act in 1972, the context seems remarkably calm and reasonable and reasoned. Knowing that it was not quite that way for those engaged in conceiving and giving birth to the Higher Education Act of 1965 only changes this view moderately. For many who had labored for a greater federal role in higher education, passage of the Act was a culmination. For as many, newly embarked on the scene of federal activity in higher education, it was a commencement that has hardly yet seen its potential fruition.

But after these observations are made and details in the ground are plowed, it may well be that the central contribution to American political and cultural life of the Higher Education Act of 1965 can be found in a long and heavy a German word, weltanschauung. The word has been variously translated, frequently as world view or philosophy of life. It may mean those things, too, but essentially it means the way a person—or nation—perceives itself. Historians as well as novelists have written about this central phenomenon in a nation's life. A sense of optimism, a belief in endless possibilities as opposed to a sense that the status quo is inevitable, that potentials are limited, makes all the difference between two nations at equal points in history.

In 1957, the Russians put Sputnik into the skies. By itself, that metal sphere held no great significance. To the American mind and self-esteem it was a calamity—a catastrophe. President Kennedy, a few years later, in his declaration that the

United States would be the first to land on the moon, understood the nature of that self-perception, understood that in all kinds of ways—military, scientific, cultural, economic, and more—a nation that pretends to the title of first or best or greatest cannot come in second in any major race among nations.

The passage of the National Defense Education Act of 1958 was a portrait of the nation's perception of itself at that time. The bill had to use the word "defense" to justify in the minds of many people the federal government's embarking on such adventures as foreign language and area centers, just to name one. (Ironically, 25 years later when forces afoot woud have eliminated the program, the Secretary of Defense to declared its significance for national security.) But in 1958, the capacity of the nation to think of a federal role in higher education was restricted.

Our experience in the Second World War had taught us that the university community held within its quiet confines all sorts of intellect on all sorts of subjects dear to national purpose. We have ever been proud in these United States of our practicality, our pragmatism. It was not accidental that the extraordinary movement that became the land-grant college activity and later the state university realm began with the federal government calling for training in the agricultural and mechanical arts needed desperately in a westward expanding nation.

It is equally significant that not a single land-grant college or state university restricted itself to that limited perception of its goals. Quite unsurprisingly, a larger value system among the people in the states found the support that has developed each one of those institutions into a public research university, a comprehensive educational institution including among them some of the nation's and the world's greatest centers of all of the humanities and social sciences as well as centers for science and technology research.

That was the people at work in each state seeking for its youth the broadest of opportunities and understanding that education was different from training—though both were needed—and that the key to success in a modern world would lie with broad education.

In some things the federal government will always be a follower and that is both sensible and good. Distance from the scene, from the problem, from the people can cloud vision. So it came to be over many decades that in every state of the nation a place was available almost always for a young man or a woman capable of studying, willing to work hard not ony at studies but at some form of labor that would earn dollars to pay for his or her keep. From the zero tuition institutions at both coasts to the minimal charges throughout the country came a fundamental concept about higher education that made it part of the rights of the citizenry to the degree that the citizenry could absorb it and was willing to work for it as well.

It must be another sign of self-perception that there were not too many cries over the decades calling for graduated tuitions (though, of course, there were some). It had to wait for today for there to be profound concern that relatively wealthy people may send their children to institutions and not be required to pay higher prices for the subsidized education. That point of view alone is worth examination in the light of the thinking of the Congress reflecting the nation in 1965 when it passed the Higher Education Act. Noteworthy, too, that in each of the states at its public institutions was an increasing development of outreach or extension programs devoted to community service. It achieved reputation in the field of agriculture, but it was contemporarily developed in general extension and the notion that the people of the state who created and paid for the institution had the right to be served in all ways by it.

It is especially noteworthy that while the future research universities were being developed still another movement was underway focused at what were originally called normal schools and later state teachers colleges. The understanding that the entire educational system ultimately had its foundation at the elementary and secondary levels led to the establishment of schools to train teachers and further programs of research to understand more about the entire business of teaching.

In short, the Higher Education Act, in substance at least, was not remarkably original. If it had been it probably would not have been able to get anywhere. Where it was original was again in the implied weltanschauung. Heretofore, the federal government could aid a young man or woman go to college because that student had served years in the military. A reward was appropriate for time lost and, of course, it made very good social—political—economic sense at the time. Heretofore, the federal government could purchase knowledge from the universities from their extraordinary research capabilities to enhance the nation's health or its military position. Before this grant could be made to universities because they were conducting defense activities and it was necessary that they be provided the wherewithal to accomplish this.

With the passage of the Higher Education Act, the nation made a quantum leap into a new perception. It was proper in the eyes of the nation that it fulfill its promise of equal opportunity to all people by reaching to those who wished education of giving indigent students grants, outright gifts. The defense loan program of '58 was an extraordinary move forward, but dollars would have to be paid back, and, in those days pretty much at market interest. The creation of the college work-study program was another move forward, but based on a notion that nothing could be offered without something paid back. The Education Opportunity Grant said something more. The amount of dollars in the total program was small. The maximum grants while most useful were small as well. But enacting Title IV put the federal government into a militant role in higher education. The Act called for granting funds as a means of recruiting students who otherwise would not be able to go to college. This inherently was an attack on all sorts of "isms" that dragged down the spirit of the nation over the previous century. Who, after all, were among the most indigent who were not going on to college primarily for the lack of funds? They were members of different minority groups, women whose talents had been rejected, people in disadvantaged sections of the United States who had lived in poverty for long periods of time.

We may have expected too much at first—did not realize how limited the impact would be—did not realize how many who would be aided would not be newly recruited, but students in school struggling somehow to stay there. What we did not realize in 1965 was that the EOG was to become a prelude. Its basic idea had been accepted and been implemented so that six years later its genuine execution could be marched onto the legislative field—the Basic Education Opportunity Grant—the Pell Grant.

It has been entirely appropriate that for the past 20 years legislation on higher education has been basically an enhancement of the Act of 1965. The '76 bill refined further the concept of the basic grant and other elements in the legislation. The Middle Income Student Assistance Act of 1978 was a statement by the Congress that on the one hand carried the concept of student assistance further and simultaneously harked back to earlier successes in the states when opportunity for higher education became something students could begin to take for granted.

The 1980 bill was in some ways a culmination of these objectives at a time when people could think positively and progressively regarding the new weltanschauung. For the past 5 years, the nation has undergone a continual review of its perception of what it is and what it represents. It has been told repeatedly year after year in budget proposals that it can no longer afford what it said in 1965 it had to achieve. Year after year Congress has rejected that thesis. This made manifest in the increased funding for the Pell Grant Program.

Another test is being taken by the Congress as we celebrate the 20th anniversary of the creation of the Higher Education Act: the reauthorization of that law. The ubiquitous terror of what the intolerable budget deficits could do to the nation may well have a measurable effect on the outcome of this significant legislation. Members of authorization committees could well begin to think more like members of appropriation committees and a general tightening of programs could be attempted. It is likely, however, if only because there are still members of Congress who participated in the midwifery of 1965 that helped give birth to the Act, that there will be a reaffirmation of the fundamental principles and perceptions that were given light twenty years ago. It is likely that they will say that, indeed, the budget deficits are terrible and, indeed, we must act wisely to reduce them and eliminate them and, indeed, we must behave differently in the decades ahead so that we do not wind up in this situation again. But who we are and what we have become through 200 years of unique history does not change with submissions of budget proposals from administrations to Congress.

The enactment of the Higher Education Act of 1965 enabled America to realize itself in one more way. It came and intervened at a time when great sweeps of social legislation were being carried through the Congress. It now will have to prevail as much of that legislation is in question. It is likely that it will carry itself into that next period of our nation's history when we choose to see ourselves in the very best light as the very best kind of civilization.

20th Anniversary
Higher Education Act 1965-1985
November 7-8, 1985

Sponsored by
Southwest Texas State University
The Brown Foundation, Inc.
Texas Guaranteed Student Loan Corporation

The Higher Education Act of 1965

On November 8, 1965, President Lyndon B. Johnson returned to the campus of his alma mater, Southwest Texas State University, to sign into law the Higher Education Act. The landmark legislation opened the doors of higher education to generations of American students.

Initially authorized under Public Law 89-329, the act consisted of eight titles, six which authorized new programs and two which amended the Higher Education Act of 1963 (PL 88-204). The act has since been amended and reauthorized four times — in 1968, 1972, 1976, and 1980.

Foremost among the act's provisions, as amended through the 98th Congress, is Title IV, Student Assistance, which authorizes a variety of programs to assist minority and low-income college and university students. Grants and special programs for students demonstrating financial need include the Basic Educational Opportunity Grants (Pell Grants); special programs for disadvantaged students (Talent Search, Upward Bound, and Special Services for Disadvantaged Students) to help identify, counsel, and provide adequate academic preparation for certain pre-college students; special programs for students whose families are in migrant or seasonal farm work; low interest Guaranteed Student Loans; Work-Study Programs that provide federal matching funds for postsecondary institutions for part-time employment for students who demonstrate financial need; and National Direct Student Loans, federal matching funds which provide for loans at a five percent interest rate to students with a financial need.

Other sections of the act include Title I, Continuing Education; Title II, Library Assistance; Title III, Institutional Aid; Title V, Teacher Training; Title VI, International Education; Title VII, Academic Facilities; Title VIII, Cooperative Education; Title IX, Graduate Programs; Title X, Fund for the Improvement of Postsecondary Education (FIPSE); Title XI, Urban University Grant Program; and Title XII, General Provisions

Lyndon Baines Johnson at Southwest Texas State University

Southwest Texas was founded as a two-year, state-supported normal school in 1899. The first session opened in September of 1903 with 303 students and 17 faculty members.

By the time the young Lyndon B. Johnson enrolled in 1927, it was Southwest Texas State Teachers College, a bachelor's-degree-granting institution with an enrollment of 1,304 students. Except for the school year 1928-29, the future president pursued his college degree straight through, winter and summer, until graduation. He taught in Cotulla during 1928-29 in order to earn money to continue his schooling. He received a Bachelor of Science degree and a permanent secondary teaching certificate on August 19, 1930.

During his student days, the future President was active in extracurricular activities, maintained a good academic record, worked to earn money to finance his education, and became well acquainted with several college administrators, including President C.E. Evans. The relationships he cultivated as a student lasted throughout his lifetime.

Lyndon Johnson returned to his alma mater in San Marcos again and again. When he decided to run for Congress, he made the first announcement of his plans at SWT.

In the fall of 1955, he returned as Senator to be the guest of honor for the university's homecoming celebration, which was proclaimed Lyndon Johnson Day. He addressed degree candidates at both May 1959 and 1961 commencement ceremonies. At the May 1962 commencement, he was awarded a Doctor of Laws degree, the institution's first honorary degree. (SWT awarded its second honorary degree in May of 1983 to Mrs. Lyndon B. Johnson.) He was the keynote speaker at the inauguration of Dr. James H. McCrocklin as SWT's fourth president in 1964. A year later — on November 8, 1965 — he signed the Higher Education Act at SWT. He returned to deliver another commencement address in 1968 and to present the LBJ Outstanding Student Award in 1971.

After he left the White House, the President's nostalgic visits to the SWT campus became more frequent. Just weeks before his death in 1973, he vowed to bring "outstanding Americans" to speak to students at SWT. That promise was not forgotten by Robert L. Hardesty, who served as an aide and speechwriter to President Johnson. When Mr. Hardesty became president of Southwest Texas in 1981, one of his first acts was to create the Lyndon Baines Johnson Distinguished Lecture Series. Congressman William D. Ford will present the eighth LBJ Lecture Thursday night, November 7, in Evans Auditorium.

Lyndon Baines Johnson Distinguished Lecture Series

Presiding over the reauthorization hearings of the Higher Education Act is Congressman William D. Ford. Mr. Ford, a Democrat from Michigan, was first elected to Congress in 1964 and has represented his district with distinction for over 20 years. He is the ranking majority member of the House Committee on Education and Labor, the committee responsible for almost all federal education legislation from the elementary through the postgraduate level.

He first served as Chair of the House Subcommittee on Postsecondary Education from 1977 to 1981, and he resumed that position in February 1985. He was principal author of the Education Amendments of 1980, the most comprehensive higher education legislation ever enacted by Congress. He also was principal author of the middle Income Student Assistance Act.

Additional efforts of Mr. Ford on behalf of education include service as Chairman of the Interstate Migrant Education Council and as an education advisor to UNESCO.

The Congressman's activities extend beyond the field of education. As Chairman of the Post Office and Civil Service Committee, he directs congressional oversight on the entire federal civilian payroll and the U.S. Postal Service, the federal health benefits program, and the civil service retirement system.

A native of Detroit, Representative Ford earned Bachelor of Science and Juris Doctor degrees from the University of Denver. He served in the U.S. Navy from 1944 to 1946 and the U.S. Air Force Reserve from 1950 to 1957. He began his political career as Justice of the Peace in Taylor Township, Michigan. Prior to his congressional career he also was elected to the Michigan Constitutional Convention and the Michigan State Senate.

Ten colleges and universities have bestowed honorary degrees on Representative Ford for his leadership in Congress over the past two decades.

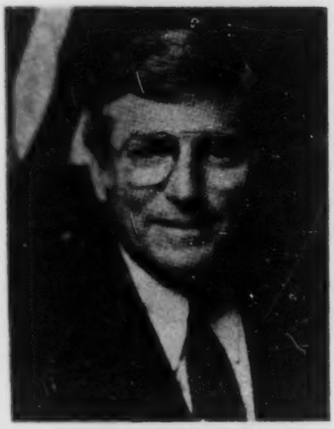
The Lyndon Baines Johnson Distinguished Lecture Series fulfills a promise made at Southwest Texas State University by President Johnson in 1973.

The series brings to reality President Johnson's desire to bring some of the finest minds in the country to the SWT campus to speak.

On his last visit to San Marcos in 1973, President Johnson brought along his former economic advisor, Dr. Walter Heller, as the first lecturer of many he wanted to arrange at his alma mater. His death came less than a week later, before any plans could be implemented.

The Lyndon Baines Johnson Distinguished Lecture Series, initiated in 1982, recognizes the importance of education to the continuing prosperity of the nation, a recurring theme during LBJ's years of government service.

Creation of the Lyndon Baines Johnson Distinguished Lecture Series by SWT President Robert L. Hardesty was particularly appropriate. Mr. Hardesty served as assistant to President Johnson during his term in the White House and afterwards as his special assistant and editor of the President's memoirs, *The Vantage Point* (Holt, Rinehart and Winston, 1971).

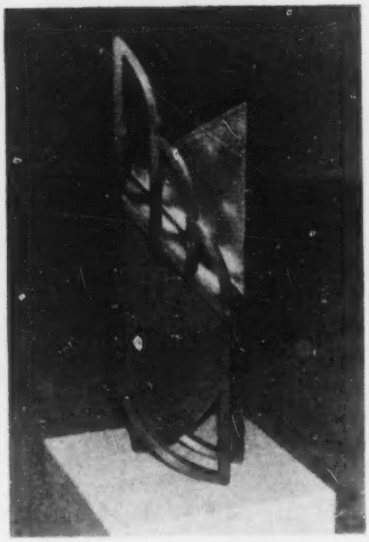


Higher Education in Texas

A special briefing on higher education will be presented to media representatives and other guests by Texas Governor Mark White at a breakfast at 8:30 a.m. Friday, November 8, in the San Marcos Room of the LBJ Memorial Student Center.

Education has been a major focus of Governor White's administration. He appointed the Select Committee on Primary and Secondary Education, headed by Dallas businessman Ross Perot,in 1983. The committee's recommendations to the Legislature led to sweeping changes in the Texas education system. Last month, Governor White — along with the Lieutenant Governor and the Speaker of the House — appointed a select committee on higher education, chaired by Coordinating Board Chairman Larry Temple, to recommend improvements in the college and university system.

Governor White, a graduate of Baylor University and the Baylor Law School, was inaugurated as Governor of Texas on January 18, 1983. Prior to that, he served with distinction as Texas' Attorney General and Secretary of State.



Commemorative Sculpture

At 3 p.m. Thursday, November 7, a commemorative sculpture by artist Scott M. Wallace of Tucson, Arizona, will be dedicated near the Lyndon B. Johnson Memorial Student Center to launch the series of 20th anniversary events.

Mr. Wallace's work was selected after a nationwide sculpture competition conducted by Southwest Texas State University. The competition was open to undergraduate and graduate students enrolled in art schools, colleges and universities throughout the United States. Entries were juried by a committee of SWT art faculty and administrators who sought contemporary work of the highest caliber. The winner of the competition received $5,000 for fabrication of the piece.

The commemorative sculpture, which is 12-feet-9-inches tall, is constructed primarily of stainless steel. It was designed after the artist, a spring 1985 University of Arizona Master of Fine Arts degree recipient, spent time on the shores of Lake Michigan. He sees the piece as built around forms associated with the change of seasons, particularly the coming of fall.

In his competition proposal, Mr. Wallace wrote, "Reflecting back many seasons, one must remember the multitude of young Americans who have been able to attend this nation's colleges and universities since the signing of the Higher Education Act in the fall of 1965 . . . recalling what President Johnson said 'It (education) is the path to peace, for it is education that places reason over force.' Because of education, the world can look to the future and hope for countless seasons to come."

Through arrangements made by U.S. Senator Lloyd Bentsen of Texas, models submitted by the six finalists in competition are on exhibit in the rotunda of the Russell Building in Washington, D.C. through November 8, 1985. Artists whose models are on display include Mr. Wallace; Mr. Daron Sachs, The University of Texas at San Antonio, second place; Ms. Judy Kracke, West Texas State University, Canyon, third place; Ms. Grace Hickman, Loretto Heights College, Aurora, Colorado, finalist; Mr. David A. De Cesaris, Bradley University, Peoria, Illinois, finalist; and Mr. Keiichi Matayoshi, Cornell University, Ithaca, New York, finalist.

Schedule of Events

Thursday, November 7, 1985

3-4 p.m.	Dedication of commemorative sculpture by artist Scott Wallace, LBJ Memorial Student Center Mall; viewing of an exhibition of photographs and original documents from the signing of the Higher Education Act of 1965, LBJ Room, LBJ Student Center.
4-5 p.m.	Reception honoring Congressman William D. Ford and Sculptor Scott Wallace, Hill Country Lounge, LBJ Student Center.
5:30-6:30 p.m.	Reception hosted by the SWT Alumni Association, by invitation, Alumni House.
7 p.m.	Lyndon B. Johnson Distinguished Lecture, Evans Auditorium, the Honorable William D. Ford, U.S. House of Representatives, Chairman, Subcommittee on Postsecondary Education.
8:30 p.m.	Dinner, by invitation, San Marcos Room, LBJ Student Center.

Friday, November 8, 1985

8-9:30 a.m.	Press Breakfast, by invitation, San Marcos Room, LBJ Student Center. Guest Speaker, Texas Governor Mark White. 8:45 a.m.—Gallery open to the public.
10-11:30 a.m.	Public hearing, House Subcommittee on Postsecondary Education, Evans Auditorium. Congressman William D. Ford presiding. "The Role of the Federal Government in Higher Education: Two Perspectives" President John Brademas, New York University Dr. C. Ronald Kimberling, Acting Assistant Secretary of Education
12 noon	Luncheon, by invitation, San Marcos Room, LBJ Student Center. "The Impact of the Higher Education Act " President Robert L. Hardesty Southwest Texas State University

1:30 p.m. Public hearing continues, Evans Auditorium.

Panel of respondents:

Mr. Robert Atwell, American Council on Education

The Honorable Joseph A. Califano, former Secretary of Health, Education and Welfare

The Honorable William C. Clohan, Jr., Association of Independent Colleges and Schools

The Honorable Wilbur Cohen, former Secretary of Health, Education and Welfare

The Honorable Wilhelmina Delco, Texas House of Representatives

Dr. Irwin C. Lieb, University of Southern California, representing The Brown Foundation, Inc.

Mr. Joe L. McCormick, Texas Guaranteed Student Loan Corporation

Dr. Charles S. MacKenzie, Grove City College, Pennsylvania

4 p.m. Adjournment.

Ushers for 20th Anniversary events are student members of Golden Key National Honor Society and the SWT Student Foundation.

"Higher Education Act of 1965 Returns Home" is the title of an exhibit on display in the LBJ Room of the Lyndon B. Johnson Memorial Student Center. The exhibit features the original act as well as correspondence and related memorabilia. Items used in the exhibit are on loan from the National Archives in Washington, D.C., and the LBJ Library and Museum in Austin.

The Role of the Federal Government in Higher Education

As part of the reauthorization process for the Higher Education Act of 1965, the Subcommittee on Postsecondary Education of the U.S. House of Representatives will hear testimony beginning at 10 a.m. Friday, November 8, in Evans Auditorium.

The law is reviewed periodically and reauthorized if it is to remain in force.

The format to be followed in Friday's hearing includes presentations by two nationally prominent figures with differing viewpoints on the federal role in postsecondary education and comments by a distinguished panel of educators and public officials.

The Keynoters

President John Brademas of New York University is an outspoken critic of proposed federal budget cuts in higher education. Dr. Brademas' testimony at Congressional budget hearings in March of this year attracted attention nationwide. A Rhodes Scholar, Dr. Brademas holds a Bachelor of Arts degree from Harvard and a Doctor of Philosophy from Oxford. New York University is one of the foremost urban universities in the nation and one of the largest private universities in the world. When the Higher Education Act was signed in 1965, Dr. Brademas was a member of the U.S. House of Representatives. He later served as House Majority Whip.

Dr. C. Ronald Kimberling, Acting Assistant Secretary for Postsecondary Education, is responsible for more than 40 programs in the areas of student financial assistance, institutional education, and institutional aid. Prior to his appointment to this position, he served in several other positions in the U.S. Department of Education, as well as in teaching and administrative roles at the University of Southern California and California State University-Northridge. Dr. Kimberling holds a master's degree from California State University-Northridge and two master's degrees and a doctorate from the University of Southern California. He was a working journalist in Los Angeles before entering the field of education

President Robert L. Hardesty of Southwest Texas State University will discuss the impact of the Higher Education Act of 1965 at an invitational luncheon Friday, November 8. A former newsman and writer, Mr. Hardesty served as special assistant to Postmaster General John Gronouski before becoming an assistant to President Lyndon B. Johnson. He is a former Chairman of the Board of Governors of the U.S. Postal Service of which he was a member from 1976 to 1985. Prior to his current appointment in 1981, he was Vice Chancellor for Administration for The University of Texas System. President Hardesty chairs the statewide Committee on Testing of College Sophomores and is a member of the Education Commission of the States. He received a Bachelor of Arts degree from the George Washington University in Washington, D.C.

The Panelists

Mr. Robert Atwell is President of the American Council on Education, a national organization representing 1,250 two- and four-year postsecondary institutions and 200 other higher education associations. He served as vice president of ACE for six years before becoming president in December 1984. Previously, Mr. Atwell was Vice Chancellor for Administration at the University of Wisconsin at Madison, and President of Pitzer College. He also served as a planning officer at the National Institute of Mental Health. He earned a Bachelor of Arts degree at the College of Wooster and a Master of Arts at the University of Minnesota.

The Honorable Joseph A. Califano, a Harvard Law School graduate who has served in positions ranging from Special Assistant to the Secretary and Deputy Secretary of Defense to Secretary of Health Education, and Welfare, was Special Assistant to President Lyndon B. Johnson from July 26, 1965, to January 20, 1969. His tenure as Secretary of Health, Education and Welfare was from January, 1977, until August, 1979. He is currently a partner in the law firm of Dewey, Ballantine, Bushby, Palmer and Wood in Washington, D.C. and New York City.

The Honorable William C. Clohan, Jr. brings a lawyer's perspective to the field of education. Prior to joining the Washington, D.C. law firm of Clohan, Adams & Dean, he served as Under Secretary in the U.S. Department of Education, where he managed all education and handicapped legislation. He also has served as Republican Education Counsel to the Education and Labor Committee of the U.S. House of Representatives and chief legislative assistant to two members of Congress. Mr. Clohan earned a Bachelor of Science degree from the Air Force Academy, a Master of Science in administration from George Washington University, and a Juris Doctor degree from Georgetown University. He served as an officer in the U.S. Air Force for five years.

The Honorable Wilbur J. Cohen joined the staff of President Roosevelt's Cabinet Committee on Economic Security in 1934, the same year he received a degree in economics from the University of Wisconsin. The cabinet committee drafted the original Social Security Act. Professor Cohen served on the staff of the Social Security Board from 1935 to 1956. He was appointed Assistant Secretary for Legislation in the U.S. Department of Health, Education and Welfare in 1961, Under Secretary in 1965, and Secretary in 1968. Since 1979, he has been Sid W. Richardson Professor of Public Affairs at The Lyndon B. Johnson School of Public Affairs at the University of Texas at Austin.

The Honorable Wilhelmina Delco is serving her sixth term in the Texas House of Repesentatives, representing Travis County's 37th District. During the past four sessions of the State Legislature, Mrs. Delco has chaired the influential House Higher Education Committee. A graduate of Fisk University in Nashville, Tennessee, Mrs. Delco is a former member of the Austin Independent School District Board of Trustees. She is one of the Texas representatives to the Education Commission of the States and is a member of the Select Committee on Higher Education in Texas, established by the state Legislature earlier this year.

Dr. Irwin C. Lieb, Vice President and Professor of Philosophy at the University of Southern California, is here representing The Brown Foundation, Inc., one of the sponsors of this 20th Anniversary observance. The former USC provost was on the faculty at The University of Texas at Austin from 1963 to 1981. From 1975 to 1979, he was Vice President and Dean of Graduate Studies. Specializing in metaphysics, Dr. Lieb holds a bachelor's degree from Princeton, a master's from Cornell and a doctorate from Yale. He is a fellow of the American Council of Learned Societies and the author of several books.

President Charles Sherrard MacKenzie of Grove City College, Pennsylvania, has served since 1971. President MacKenzie travels widely, speaking to alumni, church and civic groups in a concerted effort to support the principles of freedom in private higher education. He has defended Grove City College from government overregulation on national television, radio, and in U.S. Senate and House Subcommittee hearings in the celebrated "Grove City Case" that reached the U.S. Supreme Court. He attended Boston University, Gordon College and Princeton Theological Seminary, from which he received his doctorate in philosophy.

Mr. Joe L. McCormick is Executive Director of the Texas Guaranteed Student Loan Corporation, one of this program's sponsors. A native Texan, Mr. McCormick holds a bachelor's degree from West Texas State University in Canyon and a master's degree from Mississippi State University. He has been active in student financial aid circles for almost 20 years, working in capacities from his current position, which he has held since 1980, to director of student financial aid at universities in Texas, Oklahoma and Mississippi. He also serves as President of the National Council of Higher Education Loan Programs. Mr. McCormick is a member of the recently appointed Select Committee on Higher Education in Texas.

The Subcommittee on Postsecondary Education
Committee on Education and Labor
U.S. House of Representatives

Rep. William D. Ford, Chairman
D. Michigan

Rep. Chester G. Adkins
D. Massachusetts

Rep. Mario Biaggi
D. New York

Rep. Terry L. Bruce
D. Illinois

Rep. E. Thomas Coleman
R. Missouri

Rep. Mervyn M. Dymally
D. California

Rep. Dennis E. Eckart
D. Ohio

Rep. Joseph M. Gaydos
D. Pennsylvania

Rep. William F. Goodling
R. Pennsylvania

Rep. Steve Gunderson
R. Wisconsin

Rep. Augustus F. Hawkins
D. California

Rep. Charles A. Hayes
D. Illinois

Rep. Paul B. Henry
R. Michigan

Rep. James M. Jeffords
R. Vermont

Rep. John R. McKernan, Jr.
R. Maine

Rep. Major R. Owens
D. New York

Rep. Timothy J. Penny
D. Minnesota

Rep. Carl C. Perkins
D. Kentucky

Rep. Thomas E. Petri
R. Wisconsin

Rep. Marge Roukema
R. Wisconsin

Rep. Stephen J. Solarz
D. New York

Rep. Thomas J. Tauke
R. Iowa

Rep. Pat Williams
D. Montana

Sponsors

The Brown Foundation, Inc.

The Brown Foundation, Inc., was established in 1951 by Margaret and Herman Brown and Alice and George R. Brown as a nonprofit, charitable foundation. All funds donated to the foundation and all income generated by these funds are used for public, charitable purposes, principally for the support, encouragement, and assistance to art and education. The affairs of the Brown Foundation, Inc., are managed by a Board of Trustees. Members are Nancy Brown Wellin, Maconda Brown O'Connor, Isabel Brown Wilson, Luisa Stude Sarofim, M.S. Stude, James Root Paden, C.M. Hudspeth, Leslie Nelson Negley, Alice Negley Dorn, and George R. O'Connor.

The Texas Guaranteed Student Loan Corporation

The Texas Guaranteed Student Loan Corporation (TGSLC) is a public nonprofit corporation established by the Legislature in 1979. The mission of the corporation is to provide financial access to postsecondary education for qualified Texas students. The TGSLC fulfills this mission by guaranteeing and administering educational loans made by Texas banks, credit unions, savings and loan associations, and other financial institutions to students in colleges, universities, and vocational/technical schools. Members of the Board of Directors of TGSLC are Bob Bullock, Shirley Binder, William H. Schroeder, Jr., Hulen M. Davis, Sr., Lawrence Pettit, John R. Schott, Gary W. Bruner, Larry E. Temple, George Crews, Ruth-Ellen Gura, and Homero Avila.

Southwest Texas State University

There have been many changes at Southwest Texas since Lyndon Johnson's days. Today, more than 19,200 students pursue bachelor's and master's degrees in a wide range of disciplines under the guidance of more than 600 faculty members. The School of Business now graduates more students than the School of Education. Unchanged, however, is the university's commitment to the individual student and to excellence in teaching and learning just as it was when the young man from the Texas Hill Country enrolled here so many years ago.

Southwest Texas State University is a part of the Texas State University System, which includes four state universities guided by the nine-member Board of Regents. Members of the Board include John S. Cargile, chairman; Bernard G. Johnson, vice chairman; Lee Drain; Ruben M. Escobedo; Edmund M. Longcope; Katherine S. Lowry; Jack L. Martin; W.C. Perry; and Philip G. Warner.

Support for anniversary activities has been received from the following organizations and individuals:

American Association of Community and Junior Colleges
Dale Parnell, President

American Association of State Colleges and Universities
Allan W. Ostar, President

American Council on Education
Robert H. Atwell, President

Association of American Universities
Robert M Rosenzweig, President

Association of Independent Colleges and Schools
Jerry Miller, President

Central Texas Higher Education Authority, Inc.
Cindy Rodriguez, Executive Director

National Association of Independent Colleges and Universities
John D. Phillips, President

National Association of State Universities and Land Grant colleges
Robert L. Clodius, President

National Council of Higher Education Loan Programs, Inc.
Jean Frohlicher, Staff Director

San Marcos Telephone Company
James Pendergast, Jr., President

Southwestern Bell Telephone Company
W.C. Haydon, Assistant Vice President

Sun Exploration and Production Company
Chad Bardone, Vice President

Mr. and Mrs. Neal Watt of Austin

○